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Latin America

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NOTICE TO READERS: Effective 1 October, the processing indicators appearing in brackets at the start of each item in this publication have been changed. All new indicators begin with "FBIS" to make the material more easily identifiable. Some also indicate whether the item has been translated from the vernacular or transcribed from English.

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Further on Central American Ecological Summit

Costa Rican President on Development

PA1410203194 Mexico City NOTIMEX in Spanish 0414 GMT 12 Oct 94

[FBIS Translated Text] Managua, 12 Oct (NOTIMEX)—Costa Rican President Jose Maria Figueres asked the international community today to collaborate with Central America in carrying out projects of sustainable development in the region.

The head of state offered to the international community to be the region's partner in the Central American sustainable development, which, he maintained, means "learning together and taking advantage of the positive and not positive experiences."

He made this statement as he defined the Alliance for Sustainable Development, signed by the six regional heads of state during the Central American Ecological Summit, which opened in Managua today.

"This joining of efforts allows a fair and equitable distribution of the economic benefits and their use among the attending countries and governments," Figueres said as he explained how to support the Central American efforts.

The Costa Rican ruler added Central America's friendly countries could implement programs aimed at taking advantage of the region's biodiversity in a more intelligent fashion.

Another mechanism of support could be the contributions to the Central American Sustainable Development Fund [Fondo Centroamericano para el Desarrollo Sostenible] by several international organizations to finance projects that will help promote this new development model in all its phases, he said.

Figueres also asked for access to the markets for Central American products, adding: "We want an opportunity to compete, allowing us to attract investments to our countries and to complement our savings. In addition, we want an opportunity facilitating a significant technological transfer, which would jump start our production capability."

These points will be consistent with the changes that took place in recent years and with the rhetoric we have heard during these times of open and interconnected markets, Figueres said.

The Costa Rican president also requested foreign cooperation to establish indicators measuring the progress made while taking care of the environment and natural resources and to be aware of "how we are accomplishing the task of truly and effectively incorporating civilian society" into this process.

El Salvador Foreign Minister on Haiti

PA1410123794 San Salvador Canal Dos Television in Spanish 0030 GMT 13 Oct 94

[Report by Tom Molina and Luis Alonso from the "Telepress" newscast]

[FBIS Translated Text] The Olof Palme Convention Center in Managua is again the center of activities with regard to the Central American Ecological Summit. The center this morning [12 October] had a new look, as security measures were increased and more people were walking along its corridors. The center welcomed the Central American foreign ministers on Monday for meetings with a U.S. delegation in preparation for the summit. It looks like these meetings between Central America and the United States have already begun to have results.

[Begin recording] [Salvadoran Foreign Minister Oscar Santamaria] The main element for development in the social area is obviously to have a solid economic foundation.

[Unidentified reporter] What progress was made at the meetings yesterday with the U.S. delegation?

[Santamaria] We are actually holding our preparatory meetings, and this delegation is touring all over America. They are holding meetings with government officials, just as they have here in Managua. They are trying to form a basis on which to build the U.S. position for the Americas Summit. [end recording]

However, this will not be the only issue they plan to discuss; they will also discuss the issue of Salvadorans who are illegally in the United States.

[Begin recording] [Santamaria] "We think there will be a chance to look at the issue. President Calderon Sol himself will address the matter when the time comes. We hope it will be possible, although we know Vice President Al Gore's agenda is quite heavy. We will try our best to schedule a bilateral meeting with him. [end recording]

But there is more. Much is being said about El Salvador's part in the Haitian crisis. According to the foreign minister, it is time to pack our bags, as the mission is on. Although no one knows exactly who is going, they will all be civilians. After speaking with us, the foreign minister joined meetings between the areas' foreign ministers and the U.S. delegation.

Presidents Sign Development Alliance

PA1410203094 Panama City ACAN in Spanish 2008 GMT 12 Oct 94

[FBIS Translated Excerpt] Managua, 12 Oct (ACAN-EFE)—The Central American presidents would like to implant a "new ecological order" in their region so as to guarantee, without renouncing development, the survival of the symbolic quetzal, the harpy eagle, which is the largest existing bird, and tens of other species in danger of extinction and to prevent the disappearance of their tropical forests.

Democracy, stability, economic growth, and the disappearance of poverty in Central America hinge on the survival of its natural resources, which have suffered irreversible damage in the past decades.

This is the chief message the area presidents are sending today with the signing of the "Alliance for Sustainable Development" declaration, with which they seek to secure economic growth in harmony with the protection of the environment.

The declaration is the most important document the heads of state are signing today during the first "Ecological Summit" being held in Managua, attended by U.S. Vice President Albert Gore and OAS Secretary General Cesar Gaviria.

Nicaraguan President Violeta Chamorro; Guatemalan President Ramiro De Leon Carpio; Honduran President Carlos Roberto Reina; Salvadoran President Armando Calderon Sol; Costa Rican President Jose Maria Figueres; and Panamanian President Ernesto Perez Balladares are attending the meeting. Belizean Prime Minister Manuel Esquivel did not come but sent Henry Young, tourism and environment minister, as his representative. [passage omitted]

Court of Justice Installed

PA1510025194 Managua Sistema Nacional de Television Network in Spanish 0200 GMT 13 Oct 94

[Report by Nidia Ruiz from the "National Newscast"]

[FBIS Translated Text] The Central American Court of Justice, the last organization of the Central American integration, has been permanently installed. The Central American presidents attended the ceremony. Dr. Orlando Trejos became magistrate of the Central American Court of Justice on behalf of Nicaragua. The court will peacefully and civilly resolve any problems and conflicts resulting from the integration process.

[Begin Orlando Trejos, president of the Nicaraguan Supreme Court of Justice, recording] As proof of its invaluable cooperation and support, the government of Violeta Chamorro has provided the Court with a modest office. This morning, I was pleased to present this symbolic facility to Court President (Jorge Antonio Jean-Mathey Aville). (Jean-Mathey) was elected this morning by his colleagues as first president of the Court in its new stage. [end recording]

The installation of this organization marks the culmination of the Central American integration system.

[Begin (Jorge Antonio Jean-Mathey), president of the Central American Court of Justice, recording] The solemn installation of the Central American Court of Justice in the presence of such prominent persons marks the culmination of the Central American integration system stipulated by the Tegucigalpa Protocol within the institutional framework of the Central American regional integration, thus making it a region of peace, freedom, democracy, and a high level of development. [end recording]

Nicaragua, represented by President Violeta de Chamorro, signed the installation agreement with the new Court president. The Central American presidents later met with OAS Secretary General Cesar Gaviria, with whom they discussed various topics, including trade issues.

Argentina, Brazil Refrain From Security Council Seat Claim

PY1410213894 Madrid EFE in Spanish 1903 GMT 14 Oct 94

[FBIS Translated Text] United Nations, 14 Oct (EFE)—Argentina and Brazil, which in the past had expressed their aspiration to become permanent members of the UN Security Council in the event of its expansion, refrained from reiterating their proposal when participating in the General Assembly debate on this issue.

Emilio J. Cardenas, the Argentine representative before the United Nations, said that his country is in favor of a limited increase in the number of non-permanent members and the elimination of the clause that bans their reelection for the subsequent term.

Cardenas stated that "in this way, the states that can and wish to support the maintenance of international peace and security will be able to have a seat on the Security Council more frequently."

He added that it "would also be possible to stave off regional imbalances that may unjustifiably change the historical rotation of some states, whose presence on the Security Council has been traditional."

Ronaldo Mota Sardenberg, the Brazilian representative before the United Nations, said that the fundamental conclusion of the document drafted by the task force that was established last year in order to discuss this issue is that there is consensus on the need to enlarge the Security Council and that the increase in number should not only be quantitative and balanced, but also qualitative.

The Brazilian diplomat underlined that this means that the size of the Security Council should be proportional to the number of UN members and that the number of both permanent and non-permanent members of the Security Council should be increased by taking into account the regional balance. Industrial and developing countries should therefore be adequately represented as permanent members.

He went on to say that special attention must be paid to the ability of members to contribute to the maintenance of international peace and security as well as other objectives pursued by the United Nations. He added that appropriate arrangements should be made in order to facilitate the participation of small and medium-sized countries.

Cuba

Armed Group From U.S. Attempts To Infiltrate Island

PA1610185494 Havana PRENSA LATINA in Spanish 1659 GMT 16 Oct 94

[FBIS Translated Text] Havana, 16 Oct (PL)—An armed group consisting of seven Cuban-origin individuals from the United States unsuccessfully attempted to infiltrate the island, where they were captured after killing an amateur fisherman.

An Interior Ministry [MININT] press note has stated the individuals, armed with rifles and dressed in camouflage clothing, tried to enter the country early on the morning of 15 October through the causeway being built between the coast and the key of Santa Maria, in the area of Caibarien, approximately 300 km east of this capital.

"When they landed and tried to seize an automobile, they came upon four amateur fishermen, one of whom, 34-year-old Aracelio Rodriguez Garcia, was shot to death by the mercenaries," the MININT has stated.

The official note added that Rodriguez Garcia was well-known and well liked in the town of Caibarien, where he lived, and in Remedios, both located in the country's central region, where he was a member of the municipal bureau of the Communist Party of Cuba.

It added the seven individuals, three of whom were slightly wounded, were captured within a few hours by the public order forces mobilized to prevent their illegal action.

The Cuban authorities have said they are investigating the incident and announced the U.S. Government will be notified in detail of what occurred in this attempted, armed infiltration from that country.

They have also stressed this incident occurred amid the efforts Cuba is making to strictly comply with the New York accords signed with the U.S. Government on 9 September.

The MININT has also reported 14 Cuban-origin individuals coming from the United States, on different dates and groups, illegally entered the Cuban coast days earlier to return to the country. Seven of them were on board a sophisticated raft with powerful motors.

Regarding this last action, the Washington Government has been informed about it and has been told these people or others in similar cases should return to their places of residence in the United States and undertake the appropriate legal steps to request their return to Cuba.

The communique stated these and other topics must be analyzed during the next meeting on migration issues that will be held in Havana.

The MININT note concluded by warning that the aggressive actions assume another nature and must be tackled with all the rigor and seriousness circumstances demand.

Havana TV Reports Infiltration Attempt

FL1610235594 Havana Tele Rebelde and Cuba Vision Networks in Spanish 1800 GMT 16 Oct 94

[From the "NTV" Sunday Supplement newscast]

[FBIS Translated Text] JUVENTUD REBELDE newspaper on 16 October publishes the following information from the Ministry of the Interior [MINIT]:

On 16 October at dawn, seven people of Cuban origin, dressed in camouflage uniforms [words indistinct] with weapons, attempted to penetrate Cuba [words indistinct] in Cayo Santa Maria, Caibarien, in Villa Clara Province by speedboat. Following their landing, they decided to steal an automobile. There they were met by four amateur fishermen, one of whom, [passage indistinct], was murdered [words indistinct]. Comrade Eusebio Rodriguez Garcia was well known and loved [words indistinct], where he was member of the municipal bureau of the PCC.

The seven individuals were captured in a matter of hours by the revolutionary forces, which were quickly mobilized. Three of the mercenaries were slightly injured during the operation. A (CDT), who was tending a parking area for trucks of the (Campana de las Villas) contingent, showed heroism when he singlehandedly prevented—by his brave, resolute attitude—the armed group from taking one of the trucks to escape, wounding two of the men in the process.

The speedboat and all weapons were confiscated, and the incident is undergoing careful investigation. U.S authorities will be informed in detail of events during this strange attempt at armed infiltration by the United States, in the midst of the efforts that are being implemented to strictly observe the New York agreements.

Some days ago, 14 people of Cuban origin coming from the United States on various dates and in groups, seven of them in a sophisticated boat with large engines, penetrated [passage indistinct]... use that procedure as a gesture of goodwill, not to disturb the cooperative spirit on the immigration issue that came as a result of recent agreements. These and other topics must be studied in the next meeting on immigration issues to be held in Havana.

These warlike incidents have a different nature, and should be addressed with all the severity and seriousness called for by the circumstances. [MINIT] 15 October 1994.

Blockade Resolution To Be Reintroduced at UN

FL1410223794 Havana Radio Reloj Network in Spanish 2030 GMT 14 Oct 94

[FBIS Translated Text] Upon returning to Havana from New York, Cuban Foreign Minister Roberto Robaina said that Cuba will reintroduce a resolution on the blockade and that he expects that the UN General Assembly will approve it with a majority vote, as it has done during previous sessions.

Robaina, who recently participated in the 49th UN General Assembly, in New York, said that Cuba not only will focus on the blockade issue but also will broach a vast number of topics of interest and overall importance to the international community.

Robaina described as very positive his meeting with UN Secretary General Butrus Butrus-Ghali on UN collaboration with Cuba. Butrus-Ghali accepted President Fidel Castro's invitation to visit Cuba, saying that he hopes to visit by year's end.

Robaina stressed that his meetings with Amara Essy, Ivorian foreign minister and new Assembly president, and (James Gustav Pet), general manager of the UN Development Program, were important and noted that (Pet) had been invited to visit Cuba.

Robaina pointed out that he met many more high-level people this year than he did during last year's visit to New York, adding that these people know more about Cuba today. He also said that businessmen are more aware of Cuban reality, stating that they are being left behind regarding economic contacts with Cuba.

Robaina added that the media's role and approach regarding Cuba is also different.

Robaina told PRENSA LATINA that he had important meetings with representatives of the Cuban exile community, saying that contacts and work on this issue must continue. He said that he values the work of the Cuban mission to the United Nations, which helped him meet his full agenda. Robaina added that it is now the mission's duty to enhance relations so that they can be elevated to a higher level before the next session.

Robaina said that Cuba needs this kind of diplomacy, far different from traditional processes yet closely related to Cuban reality.

Robaina Positively Evaluates UN Talks, Contacts

PA1510031294 Havana PRENSA LATINA in Spanish 1736 GMT 14 Oct 94

[FBIS Translated Text] United Nations, 14 Oct (PL)—Cuban Foreign Minister Roberto Robaina today emphasized the superior characteristics, qualitatively speaking, of his current stay in New York.

In statements to PRENSA LATINA a few hours before his return to Havana after being in New York since 22 September, Robaina highly valued his participation in the debates of the 49th period of UN Assembly General sessions and other contacts with almost 50 foreign ministers from other countries.

The Cuban foreign minister gave a dynamic speech at the Assembly General plenary session which was welcomed with a lengthy round of applause. He also spoke during the ministerial meetings held here by the Group of 77 and by the Nonaligned Movement.

He said Cuba's positions on the U.S. blockade and other issues on this year's agenda were well received during interviews with his counterparts. Among the issues discussed were development, reforms in the United Nations and the Security Council, and international and regional cooperation.

He said Cuba will again submit a draft resolution on the blockade issue, and he expects it to be approved by a majority vote, just like in previous sessions.

However, we will not concentrate only on the blockade issue. We will discuss a variety of issues that are of interest and importance to the international community, he emphasized.

Robaina also termed as very positive the meeting with the UN secretary general, during which they discussed cooperation between the organization and his country. During the meeting, Butrus Butrus-Ghali confirmed his acceptance of the invitation extended by President Fidel Castro to visit Cuba and expressed his hope to make the visit before year's end.

Robaina also emphasized the importance of his meetings with Ivorian Foreign Minister Amara Essy, the new General Assembly president, and UN Development Program (UNDP) Administrator General James Gustave Speth, who was also invited to visit Cuba this year.

Referring to his contacts with representatives from the most diverse groups of U.S. society, he said that contrary to last year, he met with much more people and at the highest level, adding that these people have a much higher level of knowledge about Cuba.

Businessmen better understand the truth of our reports that they are lagging behind in terms of economic-commercial contacts with Cuba, Robaina added.

Robaina also said the emphasis given to Cuba by U.S. media is totally different compared to last year's visit.

In his opinion, meetings with representatives of the Cuban-U.S. community here were very important and revealing, and they convinced him of the need to continue them and work more in this area.

I have been able to follow a busy agenda thanks to the hard work and dedication of the officials at the Cuban mission to the United Nations, he emphasized.

In this regard, he said the mission must now give practical continuity to established relations and raise them to a higher level, bearing in mind the next period, which he said will be important because it will be the United Nations' 50th anniversary.

Robaina said: All the work carried out here is a result of the agility, lucidity, flexibility, and strength of Cuban diplomacy, and that fact was emphasized by the mission's members.

He said Cuba needs precisely that diplomacy, which is different from the traditional method and is closely related to the country's current situation.

The official added that diplomats from other countries and representatives of U.S. society all emphasized the Cuban mission officials' flexibility and alacrity.

He stated: That is why I express my satisfaction at the seriousness with which the mission assumed the tasks it was given a year ago, because nothing is more important for Cuba than this center—to work with the world and representatives of the various groups in the United States.

Robaina congratulated the Cuban diplomats to the United Nations and said the task which lies ahead is to give continuity to the visit, because Cuba's presence here is represented by its mission members rather than the foreign minister's visit.

U.S., Iraqi Actions in Middle East Viewed

FL1410181194 Havana Radio Rebelde Network in Spanish 1255 GMT 14 Oct 94

["Our Opinion" commentary by Eduardo Dimas; from the "Doing Radio" program]

[FBIS Translated Text] Machiavelli once said that only politicians know the powerful interests that hide behind the actions that they take. I confess that, even though I am not one of his followers, I cannot understand the reasons why Iraqi President Saddam Husayn mobilized his Republican Guard forces and concentrated them along the border with Kuwait knowing that this deployment of forces would be detected, producing an immediate response by the United States.

It has been said that with this step Saddam Husayn wanted to pressure the UN Security Council to lift the sanctions against Iraq, a nation practically under trust [fideicomiso] by the United Nations. If this is true I believe it is pretty silly because Iraq remains under the microscope of the United States and it will remain there for many years. The U.S. response was immediate, and they are currently concentrating forces in that zone even though the government of Baghdad has removed its troops from the Kuwaiti border and has announced that it would recognize the new border with that country.

I believe the gulf war waged by the United States and its allies against Iraq in January 1991, took place in a time when the Soviet Union was in agony. This conflict had as a pretext the Iraqi invasion of Kuwaiti, in my opinion one of the greatest political mistakes of this century. It was also the first example of the unipolar world which was emerging led by the United States. For the first time since the World War II, the Soviet Union took the United States' side and supported all the resolutions of the UN Security Council, which led to the war.

The Iraqi infrastructure was destroyed and the country regressed to the 19th century. More than 200,000 people died. Later, Iraq was subjected to a number of sanctions, including some to pay for the damage caused by the war, which has made its economic recovery more difficult and raised the price the Iraqi people have to pay.

Moving now to other matters, the gulf war changed the correlation of powers in the Middle East in favor of U.S. interests. The so-called Gulf Cooperation Council saw its position strengthened with the support of Egyptian and Syrian troops to guarantee their security. The PLO, which supported Iraq, lost all support and saw itself in need of negotiating with Israel the autonomy of the Gaza Strip and the City of Jericho in the West Bank, far from the aspirations of this valiant people. But as the old saying goes: They only got a hair from the wolf [Del lobo, un pelo].

Israel was the Middle East country that benefited the most from that conflict. The United States destroyed one of its main enemies and the changes that took place in that zone let us predict that the Arab world, sooner or later, would recognize Israel's existence. Syria and Jordan are now negotiating to solve border disputes and it is possible that they may reach agreements for a durable peace. Of course, stability and peace in that region would be positive for the great powers that depend on the oil from that zone.

Furthermore, I believe that peace and concord in that busy part of the world could prevent greater conflicts and in the future, ease the hatred, and bring peace to those peoples.

Would the United States be willing to lose everything it has achieved? Of course not. Its influence in the Middle East is great and it seems difficult to believe that it will permit situations that would affect or endanger its interests. Iraq, therefore, will remain in the snare of the force. It is the ideal excuse.

For now there is no other excuse. The U.S. interests are strategic and are not derived from partial elections, even though the decision to send troops favors the image of President William Clinton, which is pretty tarnished by his uncertainty. In any case, I believe Machiavelli was right.

Radio Reports CIA Resignations Linked to Ames Case

FL1510002494 Havana Radio Rebelde Network in Spanish 1255 GMT 14 Oct 94

[From the "Doing Radio" program]

[FBIS Translated Text] The case of Aldrich Ames, a CIA employee who years back worked for Soviet intelligence, continues to take its toll: Two more high-ranking CIA officials have resigned rather than face demotions. CIA Director James Woolsey reportedly had decided to remove Frank Anderson, head of Middle East operations, and John MacGaffin, assistant deputy director of operations. A CIA spokesman reports that both officials disobeyed direct orders from Woolsey, who prohibited employees from awarding bonuses to personnel under investigation in the Aldrich Ames scandal. Although Ames reportedly identified 36 Western agents and hampered 55 CIA operations, Woolsey recently told U.S. media that Ames had burned many more agents and had hampered many more intelligence operations than was first believed. Aldrich Ames, who was on the Soviet intelligence service's payroll for nine years, pled guilty to charges early this year and was sentenced to life in prison.

Envoy on Russian Duma Rejecting U.S. Blockade

FL1510015394 Havana Radio Rebelde Network in Spanish 1800 GMT 14 Oct 94

[From the "National Radio News"]

[FBIS Translated Text] The State Duma, the lower chamber of the Russian Parliament, today condemned the U.S. economic blockade of Cuba and asked that the U.S. Congress lift the measure imposed three decades ago. The declaration, approved by an overwhelming majority, describes the blockade as a violation of human rights that has cost Cuba more than $40 billion over the past 30 years. The text states that Washington's unfair position is aimed at the millions of people who live on the island. The document adds that the blockade is a violation of trading norms among nations and an attempt to extend U.S. jurisdiction to other countries.

Former Russian Foreign Minister Sergey Glazov said before submitting the declaration to a vote that it was the deputies' duty to adhere to the will of the international community to end the blockade of Cuba. Russian political figures said that the State Duma's decision was right in view of the people's will and the UN General Assembly's repeated motions against the blockade.

Reporter Perla Marina Alcover interviewed Cuban Ambassador to Russia Rogelio Montenegro, who expressed his opinion on the importance of the resolution condemning the U.S. blockade of Cuba that was adopted just two hours ago:

[Begin Montenegro recording] This means a lot, politically speaking, to our country and to Russia: For the first time in several years, Duma deputies have reflected the feelings of the people and have voted to condemn the U.S. blockade. It is important that we set this in a political context. They represent the feelings of the Russian people, with whom we have established so many ties for more than 30 years. It gives our relations a different tone, especially after being so distorted by some reporters and others who have made it their duty to criticize and lie about our country. Duma deputies, the representatives of the Russian people, ignored the lies that these people have tried to plant among the Russian people in an attempt to make the Russian people forget the friendly relations they have with Cuba. This is the most important thing about this declaration. This is my personal opinion on the vote that took place just hours ago. [end recording]

PRC Paper's Criticism of U.S. Foreign Policy Noted

FL1510004294 Havana Radio Reloj Network in Spanish 2047 GMT 14 Oct 94

[FBIS Translated Text] RENMIN RIBAO criticized U.S. foreign policy in its 14 October edition, accusing the United States of exercising conditional diplomacy in an effort to intervene in the internal affairs of other countries. It adds that there are abundant examples of this policy, which not only is out of step with the times but also naturally alienates those affected. RENMIN RIBAO addresses the U.S. blockade of Cuba, saying that bilateral relations have not improved despite the signing of the immigration agreement because of Washington's insistence that Cuba implement reforms. The newspaper concludes by noting that U.S. foreign policy has not changed, still characterized by the old method of demanding conditions and intervening in the lives of other nations.

PRC Science Center Head Signs Development Accords

FL1510013394 Havana Radio Reloj Network in Spanish 2036 GMT 14 Oct 94

[FBIS Translated Text] Representatives from seven Cuban pharmaceutical and biotechnology centers and (Bai Xiahong), president of the PRC's international science center, signed several agreements at the end of the second scientific, technology, and trade cooperation conference at the Havana Convention Center. Both countries have shown an interest in expanding relations. Cuban products, such as interferon, (?streptokinase), and SUMA [ultramicroanalytic system] diagnostic technology, will be sold on a larger scale in the PRC. The agreements also broaden prospects for joint pharmaceutical and biotechnological development. Jose Miyar, secretary of the Cuban Council of State, addressed conference participants and praised the visiting Chinese delegation's intense work. He added the agreements are extremely important to Cuba, which is studying various options, from selling products completed in the PRC to evaluating the transfer of technology of joint made products to other markets. The PRC international science center delegation visited several Cuban scientific centers and met high-ranking officials of the Public Health Ministry and the Science, Technology, and Environment Ministry. Chinese Ambassador to Cuba Xu Yicong said he was pleased that both countries had signed the agreements.

More on Accords with PRC

PA1510170594 Havana PRENSA LATINA in Spanish 2115 GMT 14 Oct 94

[FBIS Translated Text] Havana, 14 Oct (PL)—Today eight Cuban scientific enterprises and institutions simultaneously signed agreements with China's International Scientific Center. Bai Xiahong, president of China's International Scientific Center, signed each of the documents on behalf of his country.

The Cuban organizations involved in this endeavor include Neuronic, Inc., which develops and makes equipment for brain research; Eron, Inc., which manufactures blood by-products; and the Center for Genetic Engineering and Biotechnology, which produces interferon.

The Finlay Institute is another such organization. The Finlay Institute reached a prominent niche internationally in immunology with its vaccine against the meningococcic meningitis type B. The Finlay Institute is also developing a broad program involving other traditional vaccines in addition to new ones.

Other enterprises that signed agreements with China's International Scientific Center include the Center for Molecular Immunology (specialized in manufacturing molecular antibodies for diagnostic and therapeutic purposes); Dalmer Laboratories, Inc.; and the Immunological Testing Center, where ultramicroanalytic (SUMA) system technology has been developed and is being manufactured.

Resuming the ceremony, Jose M. Miyar Barruecos, secretary of the Cuban Council of State, said that these agreements are very important for Cuba, particularly for the biotechnological and pharmaceutical sectors.

We are aware, he concluded, of the responsibility being assumed by Cuban enterprises linked to the Chinese market—currently one of the largest markets with the highest sustained economic expansion rates and scientific and technological development.

PRC Spokesman Stresses Biotechnological Cooperation

FL1510163194 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 15 Oct 94

[From the "NTV" newscast]

[FBIS Translated Text] During the second Cuba-China meeting in Havana today, the PRC and Cuba signed important scientific agreements in the area of medicine. This meeting concluded after a week of exchanges and tours through the country's scientific facilities. The Chinese delegation is headed by Mr. (Bai Xiahong), president of the international center for sciences in the PRC.

[Begin (Bai) recording] There are many areas for cooperation in the biotechnological sector. Both sides must strengthen cooperation in this field. [end recording]

The second Cuba-China meeting concluded with the signing of letters of intent and several work agreements for marketing in the biotechnological sector. The agreements also include the possibility of joint development efforts between the two countries. Dr. Fernandez Sierra of the immunology research center pointed out that these projects were first discussed in January when a Cuban delegation visited Beijing. The agreements were ratified by directors of several scientific centers in the country and by Pedro Morales, vice minister of Foreign Investment and Economic Cooperation.

At the conclusion of the ceremony, Dr. Jose Miyar Barruecos, secretary of the Council of State, recognized that the signing of these agreements is an honorable act of great responsibility.

Vice President of Council of Ministers on Visit to Spain

PA1610020094 Havana Radio Havana Cuba in Spanish 0100 GMT 15 Oct 94

[Telephone interview with Jose Ramon Fernandez, vice president of the Cuban Council of Ministers, in Madrid, by Marianela Calderin; date not given; from the "Evening Information Review" newscast—recorded]

[FBIS Translated Text] [Calderin, in progress] ...I believe you do not have much time. I have been covering your visit since you departed from Asturias. As you can well imagine, we have received plenty of information on your Galicia and Asturias tour, so we would like you—I do not want to take much of your time—to tell me a bit about your meeting, first with Manuel Fraga [president of the autonomous Galicia government]. I understand there was plenty of commentary because he accompanied you to the airport, and this was interpreted as a very special gesture toward you and toward Cuba.

[Fernandez] Indeed. I believe the visit to Galicia was very good and useful for several reasons. First of all, the meetings with Galician President Manuel Fraga were good. An invitation was extended in the name of Companero Fidel for Fraga to once again visit Cuba, which he accepted, time permitting. We met with various entrepreneurs, educational institutions—such as universities and research centers—many mayors, and with friendship and solidarity with Cuba associations. We even met with a group of about 100 members of the Portugal-Cuba Friendship Association, who travelled from Portugal to the port of Vigo with a donation of more than 160 tons, which has already been shipped together with other donationsm, to Cuba. We have witnessed a lot solidarity, many denouncements against the blockade, and much understanding about the Cuban situation.

[Calderin] Yes, Fernandez, I believe that you have covered a broad program during this visit to Spain. I believe that the time is right—I believe this is your fourth meeting with the Galician president—for you to give me a brief evaluation of how relations are between Cuba and the autonomous Galicia region.

[Fernandez] Well, Fraga denounced the blockade. At the farewell ceremony, he stated categorically in a news conference that the problems of Cubans must be resolved by Cubans, without foreign interference. He has an understanding of the Cuban situation, and I think that the relations are good.

[Calderin] What can you say about the other leg of your trip, namely the visit to Asturias. Did you meet with the president of Asturias Principality?

[Fernandez] I met with President (Trevin) five times, the last of which was about half an hour ago at a joint news conference we held at Oviedo airport. We have found a very positive climate here. He has a positive attitude toward Cuba. We were able to meet with the presidents of the commerce chambers of Aviles, Gijon, and Oviedo. We also met with the president's industry adviser, the president of the Development Institute, and with (Trevin) himself five times.

[Calderin] What is the specific outcome of all these meetings?

[Fernandez] No specific results were achieved. We just made contacts between Spanish organizations and Cuban entities. We explained the conditions in Cuba, the situation we are facing, as well as the investments that have been made in Cuba in petroleum refining, telecommunications, oil prospecting, and so on. We also explained investments in the areas of mining and nickel, just to mention the most recent ones. This permitted us to convey to the Spaniards the investment confidence in Cuba.

We have found a very favorable atmosphere. President (Trevin) will travel from Asturias, accompanied by a group of businessmen, and we hope to begin specific negotiations in different areas.

I must add that the reception we were awarded in Asturias was as friendly as the relations with associations of friendship and solidarity from Galicia. Last night, we met in Asturias for the last time with over 300 people. At the last meeting, slogans were chanted, statements were made, and there was a spirit of encouragement for Cuba. They expressed to us their confidence and desire for Cuba to become a true hope for them. They said they hope Cuba remains firm and comes out victorious from this struggle.

[Calderin] We hope so too, Mr. Fernandez. Well, you are in Madrid at the moment. Is this the last leg of you trip to Spain?

[Fernandez] This is the penultimate leg of my trip, because I have several interviews tomorrow with various magazines, such as CAMBIO 16, television stations, and print media officials. In the evening, I am scheduled to meet with the Association of Friendship and Solidarity organized by the Cuban Embassy.

[Calderin] I want to thank you for your time with Radio Havana Cuba.

GRANMA Reports U.S. Denial of Visa to Musical Group

PA1510180594 Havana PRENSA LATINA in Spanish 1553 GMT 15 Oct 94

[FBIS Translated Text] Havana, 15 Oct (PL)—The U.S. Interests Section in Cuba has refused to issue a visa for Puerto Rico to the popular Van Van musical group, which was invited to the island to participate in the 20th Support for Clarity Festival.

According to GRANMA, the Cuban group's performance would have been nonprofit. Van Van would not have received any remuneration whatsoever to play for dances in the parking lot of San Juan's Pedrin Zorilla Stadium.

So far this year visas have been denied to Grupo Mezcla, the well-known signer Merceditas Valdes, and members of the National Ballet of Cuba.

Tourism Investors Await Signing of Protection Accord

PA1410223494 Havana PRENSA LATINA in Spanish 2146 GMT 13 Oct 94

[FBIS Translated Text] Varadero, Cuba, 13 Oct (PL)—A specialist affirmed here today that the signing of an investment protection agreement between the Cuban and German Governments is expected to stimulate greater German investment in tourism development on the island.

A spokesman for LTI International Hotels told PRENSA LATINA that the chain has brought in a large number of potential investors who are waiting for the agreement to be signed before beginning their incursions into several areas of the Cuban economy, including tourism.

LTI currently has agreements with Cubanacan Corporation to manage and market the LTI Tuxpan and LTI Bella Costa Hotels, which are located in this seaside area (some 140 km east of Havana), and the LTI Carison and LTI Los Corales Hotels in the eastern province of Santiago de Cuba.

This is not the right time to expand the latter operations. The chain is waiting for the Santiago de Cuba locations to become stronger and to attain the occupancy percentages of the Tuxpan and Bella Costa hotels.

The Tuxpan Hotel opened in 1990 and had a 68-percent occupancy rate in the first year of operations. That figure rose to 86 percent in 1992, and to 92 percent in 1993. The Bella Costa, which opened at the end of last January, maintains a 78-percent occupancy rate.

The Santiago de Cuba installations, he added, began operating at the beginning of 1994, although at a slower pace, as they lagged behind in marketing efforts and were far too dependent on the German mark. They closed operations between March and December. [sentence as received]

Carlos Prieto, sales representative for Carisol and Los Corales, mentioned Italy, Mexico, and the United Kingdom as potential markets. He disclosed that for the coming winter season, the Cariso will be marketed as a comprehensive holiday package, while the Los Corales will be marketed as a sort of club with bed and breakfast.

He described the two installations as ideal places for family vacations.

The opening of the Tours Mont Royal tourist agency and the bolstering of Hola Sun will also be important steps in improving the occupancy rates. Both operators are Canadian.

Tours Mont Royal and Air Club will charter one flight per week to Santiago de Cuba and Cienfuegos Provinces in central Cuba beginning in early November. This should increase the number of guests at these two hotels, where Canada and Germany appear to be the more important clients.

Deputy Ramon Castro Ruz on Sugar Industry

FL1510194194 Havana Radio Rebelde Network in Spanish 1800 GMT 15 Oct 94

[FBIS Translated Text] The commission in charge of productive activities of the National Assembly of the People's Government [ANPP] continued its meetings today at the Ministry of the Sugar Industry's [Minaz's] training center in Boyeros. Here is correspondent Gisela Bel Heredia with more information from that location.

[Heredia] Today, during the second of the commission's meetings, Deputy Ramon Castro Ruz stated that if we all feel revolutionary, we must revolutionize our sugar industry. Ramon Castro was very precise in his analysis, which we could call: The sugar harvest inside and out, involving everyone and everything. In that sense, Ramon Castro pointed out that the deficiencies in sugar activity come from way back, originating with delays and with deficiencies in the training of those who do the soil preparation, as well as problems with various bonuses to take care of the sugar workers. He went on to say that we must work and overcome many things, which are products of the special period.

[Begin recording] [Castro] The sugarcane must be weeded and cultivated with a hoe and sickle. The problem is the overload. We must have both hands on the plow that is pulled by the oxen, and both hands on the hoe and sickle. Those are the instructions we must give and the battle we must win. [end recording]

[Heredia] This parliamentary commission today debated everything related to our principal industry after hearing a report read by Minaz Vice Minister Gilberto Llerena Montenegro, who spoke of preparations for the upcoming harvest, as well as about certain deficiencies, difficulties, and measures in the seed banks, the sugarcane plantings, and the various stages of the agroindustrial process.

In his statements, Ramon Castro underscored the importance of action in winning this battle.

[Begin recording] [Castro] Let us not complain later because we do not have power or fuel for work or recreation, which is very good. Right? And then we will probably be short of rice and beans and cooking oil. We still have enough time to wake up and confront this terrible period that we are living in because with determination and firmness, we will win. Unless we awaken now, we will be faced with hunger, misery, and need. [end recording]

Report Stresses Importance of Efficient Sugarcane Harvest

PA1510022394 Havana Radio Havana Cuba in Spanish 0000 GMT 12 Oct 94

[Report by Guillermo Alvarado; from the "Evening Information Review" newscast]

[FBIS Translated Text] Despite all the difficulties, Cuba expects this year's sugarcane harvest to be more efficient than the previous one and to lead this activity, which has traditionally been the most important in the country's economy, to levels similar to those in other fields that have shown important signs of recovery.

According to the latest reports, 15 of the nation's 21 industries are on their way to financial and economic recovery. Food production is expected to increase with the creation of the farmers markets.

Tourism and biotechnology are also important in increasing the country's revenues, but sugar continues to be the leading export product. Cuba was the world's biggest exporter of sugar until 1992, when a sugarcane harvest of a little over 7 million tons was reported.

The enormous importance of the sugarcane sector makes it decisive for the Cuban economy as a whole and affects other areas that have definitely not reached a development level that will allow them to surpass the importance of the sugar sector. Therefore, the reactivation of the sugarcane harvest season is imperative so the country can leave behind the so-called special period.

This year Cuba hopes to conduct a brief but intense sugarcane harvest at the season's peak with all sugar mills operating at full capacity. If this objective is achieved, the result would be positive even if the amount of sugar produced is small. The country's 156 sugar mills should be opening up their cane pressing capabilities in order to take in as much sugarcane as possible without having to extend the harvest season beyond May, which is when the rainy season begins.

The outlook for the upcoming sugarcane harvest season could be complicated by various factors, some of them due to the prolonged previous harvest, the extension of which prevented workers from providing the appropriate treatment to the cane fields at the proper time. We should also include the excessive rains in some areas and droughts in others. The lack of fertilizers and irrigation could also contribute to a decline in sugar production. The Sugar Industry Ministry conducted a positive evaluation of the repair work and maintenance being conducted in the sugar industry, even though there has been less time to do the work and despite the lack of spare parts and other imported supplies, the purchase of which is difficult due to the lack of resources and the effects of the blockade, which makes all products purchased by Cuba abroad more expensive.

Politburo Members Attend Meeting on Upcoming Sugar Harvest

FL1610001094 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 15 Oct 94

[From the "NTV" newscast]

[FBIS Translated Text] Basic cooperative production unit members in Cienfuegos Province met today to discuss the upcoming harvest, working and living conditions, and how to prevent the work force's exodus. They also discussed recovery of the sugar industry. Carlos Lage and Nelson Torres, both Politburo members, and Finance and Prices Minister Jose Luis Rodriguez also attended the meeting.

Need for Increased Sugar Efficiency Stressed

FL1710011594 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 15 Oct 94

[Commentary of Juan Varela Perez; from the "NTV" newscast]

[FBIS Translated Text] Juan Varela Perez states that industrial inefficiency reduces the harvest by thousands of tons of sugar each year. He adds that it is unfortunate that even though there was sugar in the sugarcane, it could not be commercially recovered due to poor operations—not enough demands or no demands at all by managers, accentuated by a lack of technical discipline, workers' low qualifications, and organizational problems that damage the harmony at factories.

During recent times the average efficiency in the mills shows a dangerous decline, particularly now that the volumes of sugarcane to be milled are limited, and it is necessary to fully use the raw material for milling.

The low volume of sugar recovered from the harvest makes an urgent assessment necessary, plus mobilization of all technical potential to stop the rapid decrease and to rescue the traditional agroindustrial sector.

During a recent workshop in Havana with the participation of the managers of sugar production and mill laboratories, it became clear that the losses were higher where lack of discipline and breaking of technical operational rules prevailed.

It is true that there is a shortage of resources, that milling was low, and that instability negatively impacts industrial performance. Yet, why is it that under the same or similar conditions, there is such a difference in sugar volume recovered by different provinces?

We know that Cienfuegos did not achieve its best campaign. However, its recovery rate exceeding 84 percent is much higher when compared to Ciego de Avila Province, which did not even reach a 73-percent recovery rate. It is no coincidence that five mills in Ciego de Avila are among the worst ones. This shows that objective problems should not bear all the blame for inefficiency.

The decision of production and laboratory managers to extend the experience of Las Tunas during the next harvest is very opportune. The use of control and analysis will allow an increase in technical discipline and a higher efficiency level. Workers in Las Tunas deserve to be acknowledged. Las Tunas gradually went from being one of the poorest provinces in sugar production to among the first in production.

Likewise, all mills will in the future implement methods of (normalization), [metrologia] and quality control, which are currently rightly used in the villas.

Varela adds that these two experiences per se show that it is possible to have better efficiency despite current difficulties by better utilizing the available sugarcane and by returning to production and lab managers the authority they need to exert during the harvest.

Commission Evaluates Decrease in Sugar Production

PA1710001294 Havana PRENSA LATINA in Spanish 2057 GMT 15 Oct 94

[By Esly Fors]

[FBIS Translated Text] Havana, 15 Otc (PL)—Jaime Crombet, vice president of the National Assembly of the People's Government [ANPP], told deputies of the ANPP Commission on Production Issues that the recovery of sugar production to traditional levels will take five years.

Crombet emphasized that agriculture and livestock and sugar industry production are the priority tasks currently facing the nation. Crombet insisted that the sugar industry affects the entire economy and continues to be the main source of income from exports without which, he stressed, there would be no currency for importing fuel or food.

Sugar Industry Deputy Minister Gilberto Llerena, who has 26 years experience in the industry, said the main cause of the decline in sugar production was due to internal errors and inefficiency, which led to the production of a mere 4 million tons of sugar from the 1993-1994 harvest, compared to 4.2 million in 1992-1993 and 7 million from the 1991-1992 harvest.

The best result in the last five years was achieved from the 1989-1990 harvest, when 8.4 million tons of sugar were produced.

The commission, which has been analyzing since yesterday the country's agriculture and livestock activities, listened to assessments by deputy Ramon Castro, a veteran agriculture and livestock specialist, and Jaime Crombet, vice president of the ANPP.

The measures adopted for the next harvest include an increase in the area to be planted and, at the same time, insistence on quality labor from the furrow to the sugar mill.

The work being done to achieve a better selection of seeds was described, including the progressive use of plants grown in vitro to guarantee the health and vigor of the seedlings.

Llerena said that due to negligence during planting, the need to replant began to be anticipated in the plans, but that if the replanting were carried out late it was a wasted effort. Llerena complained of the failure of the cattlemen to supply oxen to clean the sugarcane fields.

According to the official report, the shutting down of many sugar mills during the last harvest to save money and because of the drastic reduction of sugarcane available was a failure.

The measure caused more delays in the transfer of raw materials to the sugar mills and losses in sugar content, as well as frequent interruptions lasting up to 12 hours in sugar mills, for which reason the closing of the mills is not planned for the next harvest.

Deputies, Jordan Discuss Production, Farmers Markets

FL1510154894 Havana Radio Rebelde Network in Spanish 1800 GMT 14 Oct 94

[From the "National Radio News"]

[FBIS Translated Text] [Anchorman] The commission in charge of production activities for the National Assembly of the People's Government [ANPP] will, today and tomorrow, debate some of the principal challenges the Revolution is currently facing. Correspondent Demetrio Villaurrutia reports from the Ministry of the Sugar Industry's [Minaz] training center in Boyeros.

[Villaurrutia] At this moment, the deputies of the ANPP Productive Issues Commission are discussing the topic of food production for the population. In his presentation, Agriculture Minister Alfredo Jordan expounded on current conditions and prospects for our agriculture. He stressed the importance of maintaining the best cadres in the most difficult places and said that food production for the population is a vital task. Jordan urged us to advance on this front, but with quality. In that vein, he revealed that supplies for the potato planting campaign have already been guaranteed.

Finally, the minister of agriculture provided details on the performance of the farmers markets during their first 12 days of operation, from which more than 3 million pesos were obtained from taxes.

[Begin recording] [Jordan] Just so you have an idea: During the first 12 days of operation, 122,525 quintals of all types of products were sold, ranging from guava to pork. The value of the production was 42,751,900 pesos, from which we have collected 3,538,100 pesos in taxes. These figures are for the entire country. Of those 122,000 quintals, 41,213 were sold in Havana City and more than 25 million pesos wsere collected, which means that with only 35 percent of the production, 58 percent of the earnings, were collected there. [end recording]

[Villaurrutia] This meeting will continue through the afternoon. Today they are expected to analyze housing construction, with presentations by the ministers of construction and of the construction materials industry.

Jordan on Initial Performance of Farmers Markets

PA1510154194 Havana PRENSA LATINA in Spanish 2158 GMT 14 Oct 94

[FBIS Translated Text] Havana, 14 Oct (PL)—Agriculture Minister Alfredo Jordan said here today that opening the farmers markets has increased deliveries to the state needed to meet society's needs. He added that this in turn is expected to encourage food production.

At a meeting in this capital with deputies on the National Assembly's Production Affairs Commission, the agriculture minister reported that 122,525 quintals of products, including meat, were sold during the first 12 days of operations.

The farmers markets involve a new form of business governed by supply and demand that may involve the people's farms, cooperatives, and Basic Cooperative Production Units [UBPC], once contracts for delivery to the state are fulfilled.

Individual peasants and holders of lots may also freely sell their harvest. The latter have no commitments to the state.

Sales amounted to 42 million pesos (equivalent to dollars at the official exchange rate), and merchants paid more than 3.5 million pesos in taxes.

Jordan expressed optimism because the establishment of these markets has increased sales to the state. This in turn has allowed it to guarantee supplies to hospitals, child care centers, and schools, and to guarantee rationed products at subsidized prices for the population.

Jordan pointed out that this positive development should also encourage production. He described the decision to open these markets on 1 October as bold and timely, because that day marked the start of cultivation for the cold weather harvest, the country's largest.

The goal is to strongly encourage rural production to develop productive forces and provide a larger supply of food to the population, he added.

The production process in Cuban agriculture has been undergoing a transformation for a little over a year.

The UBPC emerged as a result. Today it occupies more than 1.2 million hectares owned by state enterprises that were granted to its workers for indefinite use.

The farmers are now owners of their harvest, machinery, animals, and crops. They also have areas where they can plant gardens to produce for family consumption. They have access to facilities for building homes and integrating themselves permanently into the rural community.

The Youth Labor Army, a contingent of soldiers that combines its farming duties with military obligations, organized the comprehensive [integrales] farms, established on the principle of profit.

Authorities hope that the farmers markets, characterized by more remunerative prices, will encourage farmers to produce surpluses and achieve goals under more favorable economic conditions.

Says Work Organization Answer to Problems

PA1510163694 Havana PRENSA LATINA in Spanish 0609 GMT 15 Oct 94

[Unsigned article: "Poor Work Organization Main Cause of Problems"]

[FBIS Translated Text] Havana, 15 Oct (PL)—Cuban Agriculture Minister Alfredo Jordan has admitted that 80 percent of the problems affecting Cuba's agricultural sector today could be resolved through better organization of work.

The minister, who has held this sensitive economic post for 14 months, said this to the Cuban Parliament's Production Affairs Commission, which is working with professionals from various sectors to give agriculture and livestock development the integrated approach it requires.

With regard to how the new farmers market system is functioning, Jordan said that in 12 days of operations, the 130 stores functioning throughout the country sold approximately 2,663 tonnes of goods worth 42 million pesos (officially on par with the dollar).

Through revenues from taxes and space rentals, during this period the state collected 3,538,100 pesos. Approximately 1,400 of the sellers were individual producers. They and the cooperatives already represent the overwhelming majority of sellers of goods to those stores.

We are sure, the minister said, that all these measures will encourage production and greater delivery of goods to the state, something that in fact is already happening. Ever since the markets opened, deliveries to official stocking agencies have increased.

The minister confirmed the government's decision to strictly control compliance with contracts between peasants and the state. Without these contracts, peasants would not be able to sell their surpluses on the free market.

The minister reiterated the decision to decentralize cooperatives and state farms, with local administrators having the power to establish their own rules of the game, as long as they do not interfere with deliveries to the government.

Another sensitive situation for the Cuban economy is that foreign exchange earned from tourism has to be used to import food despite the fact that Cuba is basically an agricultural country.

Jaime Crombet, vice president of the Cuban Parliament, has insisted that it is necessary to launch an offensive among agricultural and livestock production units so that they directly promote, industrialize, and market their products in tourist centers, on the basis of the requirements of these centers.

Today the deputies will continue examining the most important economic issues, especially sagging sugar production.

Deputies Seek Improvements in Incomes for Cooperatives

PA1510154294 Havana PRENSA LATINA in Spanish 0056 GMT 15 Oct 94

[FBIS Translated Text] Havana, 14 Oct (PL)—Deputies on the Cuban National Assembly of the People's Government's Production Affairs Commission today expressed their support for improving the income system for members of cooperatives so that they can be more competitive vis-a-vis other producers.

Orlando Lugo Fonte, deputy and president of the Cuban National Association of Small Farmers, an organization that groups members of cooperatives and individual farmers, told the commission that the implementation of agricultural and livestock markets on 1 October has benefited the country's productive groups.

State farms, cooperatives, Basic Cooperative Production Units, and individual farmers are allowed to participate in this new type of trade in Cuba once they meet their delivery contracts with the state.

Other farmers, like those responsible for the self-sufficiency of state enterprises and individual small plot farmers who have no delivery commitments to society's consumption, can participate too. The prices these farmers are paid for their products are more remunerative since they are set by supply and demand, Lugo explained.

This implies an unfavorable situation for members of cooperatives because they must first meet their plans and retain 50 percent of their profits for reinvestment and social expenses and can only use the remainder of the profits.

This situation is creating an exodus of members of cooperatives toward the parcels of farmers. As a result, it will be necessary to change the prevailing system of remunerations in those collective production units, Lugo pointed out.

With the support of members of the commission, Lugo proposed as a solution that producers be assigned an area so that they can use the surplus and that the rate of profits to be received be changed. This would create fairer conditions for their incomes, Lugo concluded.

Finance Minister Explains Economic Measures

PA1410141494 Havana Radio Havana Cuba in Spanish 0000 GMT 13 Oct 94

[Report by Mario Munoz; from the "Evening Information Review"]

[FBIS Translated Text] Certain confused people have yet to understand the essence of the economic reforms that have been implemented in Cuba in recent months. They are afraid the high prerogatives granted by the government to its people during 35 years of revolution will disappear. These fears are compounded by the views of certain detractors of our social project whose superficial and illogical rhetoric disguises their true interests, and those detractors sharpen their claws thinking all these changes will eventually lead to capitalism.

In a recent conversation with a group of important Cuban intellectuals, Finance and Prices Minister Jose Luis Rodriguez explained the economic measures being implemented to maintain and improve the Cubans' achievements within socialism:

[Begin Rodriguez recording] Clearly speaking, comrades, we have an economy that is undergoing changes, but we clearly know what we do not want. We do not want a market economy; we do not want a capitalist economy. We want a socialist state that keeps basic control in its hands. We want to keep a solidarist society where whatever social services exist, basically social security, health, education, are accessible to the people. [end recording]

The country has been compelled to make significant changes in its economy in less than two years to protect those social achievements. Logically, this position has provoked some uncertainty among the people. Referring to this issue, Mr. Rodriguez said:

[Begin Rodriguez recording] The roads we will have to choose, the paths we will have to take to support this decision can be planned. That is the reality. [Words indistinct] why do you not prepare a program? You are not the only ones. This view has been demanded by all the people here, by international organizations abroad, by our friends, by those who are not our friends. Everyone wants to know our plans.

I will honestly tell you. It is very difficult for a country in a situation such as ours to plan, practically on a weekly basis, how it will use the foreign currency available in the country, how much it can pay next week, what must be stopped and what can continue, how much fuel it can purchase, whom it will pay and whom it will not pay. It is very difficult to take this action.

The only thing we can plan is the number of activities we can presumably carry out given the country's situation, to assess the minimum on which the economy can function, and we must carry on—because life so demands; we did not decide this—and solve the problems in due time. [end recording]

Despite its problems, the Cuban Government has structured the pillars for a new economic system compatible with the demands of a world market we are progressively joining. Referring to this issue, the finance and prices minister said:

[Begin Rodriguez recording] This does not mean there is no strategy. We are in a position where measures, even a series of measures, may even be adopted belatedly due to unforeseen circumstances, but we are facing the facts. Comrades, we cannot talk too much; we cannot [words indistinct] on earth. We are taking these measures in a world where all our neighbors want us to come out well ahead or, in the best of cases, leave us alone so we may do as we wish.

Suffice it to say that as soon as [words indistinct] we will open an enterprise with someone in some sector, without mentioning names, and the forces that antagonize us, meaning the United States and all those behind it, are immediately mobilized to obstruct our plans. Unfortunately, that is a price we must also pay. We cannot say we will do those things and when we will do them, because a strategy is immediately planned to foil them. [end recording]

Havana City Workers Plan for Defense Days

FL1410123294 Havana Radio Reloj Network in Spanish 2036 GMT 13 Oct 94

[FBIS Translated Text] Alfredo Morales, general secretary of the Cuban Workers Federation in Havana City, said federation members were immersed in carrying out vital economic tasks, but should also be involved in the sphere of defense.

During a plenum of provincial union leaders, the importance of worker involvement in civil defense of the city was stressed. Morales emphasized the importance of observing Defense Days and announced celebration plans. He said that if any city was not prepared for second phase defense, the problems must be analyzed and corrected. He added that the Western Army will set up a control center in Havana City in order to keep the workers well informed.

Officers Discuss Medical Care for Combat Pilots

FL1410125494 Havana Tele Rebelde and Cuba Vision Networks in Spanish 0100 GMT 14 Oct 94

[From the "NTV" newscast]

[FBIS Translated Text] At 34 years of age pilot Major Raul Simanca, MiG-23 pilot first class, has 14 years of flight experience. During this time he has always had a doctor beside him, his doctor.

[Begin recording] [Major Delfin Gonzalez, identified by caption] This is preventive medicine because these highly important flight personnel require a state of health and a physical capacity which will allow them to complete the very hard missions they are assigned in this type of aircraft. [end recording]

Some tests require the use of certain types of techniques, but other possibilities are also kept in mind, such as herbal medicine, antistress treatments, and a pharmaceutical regime [ciclo farmacia], an initiative for battle conditions.

[Begin recording] [Captain Maria Isabel Triana, identified by caption] From the medical ethics point of view it is the same thing. Here in the Revolutionary Armed Forces [FAR] it has double significance. It is not only what motivates one to study medicine, to become a doctor, and to the sacrifice that this career involves. It also has to do with what our FAR minister stated—to be an officer in the FAR is not a way to earn a living but a way of life. [end recording]

After witnessing these attitudes we understand why hygiene and certain living conditions exist and they contribute to the combat readiness of these pilots.

[Begin recording] [Major Raul Simanca, identified by caption] A great aid to my conditioning is the physical preparation that I do everyday. I do a bit of running and calisthenics, every time I can. That is really a great aid which helps pilot the plane. [end recording]

To solve problems with alternatives reveals just how much political willpower and ethical exercise these times demand.

[During the report there is video footage which begins by showing a man dressed in a pilot's uniform in a hanger having his blood pressure taken; later the same man is seen climbing into the cockpit of a jet fighter. The video goes on to show a man dressed in a uniform spinning in a gyro trainer on the ground, outside, with a building seen in the background. Immediately after video gives a wide angle shot of a man dressed in a green outfit spinning in a wheel which is at approximately 10 to 12 feet off the ground. The video footage then shows medium-angle shots inside a building showing bunks, common areas, and a mess hall with several uniformed men eating and being served by a women dressed in street clothes. The video then shows a long shot of several men folding and packing parachutes on the ground outside a building. The video footage ends with a medium shot of a man covered with a white gown sitting in a dentist chair and another man, dressed in street clothes standing over him.]

Academicians, Deputies Prepare National Salvation Model

PA1510163994 Havana PRENSA LATINA in Spanish 0124 GMT 14 Oct 94

[FBIS Translated Text] Havana, 13 Oct (PL)—Cuban academicians and deputies worked today preparing a national salvation model which renders credible the social project and prevents disintegration of the effort exerted in 10 million individual models.

Juan Antonio Blanco, chairman of the Felix Varela Foundation, a Cuban nongovernment organization, said this today at a workshop on "Globalization, Integration, and Human Rights in the Caribbean." The workshop began yesterday in Cuba under the sponsorship of the Center for American Studies (CEA) with the participation of 44 experts from Mexico, Haiti, the Dominican Republic, Trinidad and Tobago, Barbados, the United States, Peru, and France.

The National Assembly of the People's Government (Cuban parliament) strives to redefine socialism and bring it closer to classical Cuban and Marxist models, while separating it from the aberration that the Soviet Union's real socialism represented, he said.

The facades of buildings are not the only things that have deteriorated; ethical principles and social conduct have also deteriorated as a result of the shortages and economic problems, compounded by the U.S. blockade, Blanco said.

The nongovernment leader said the confrontation with the United States restricts civilian and political rights in

Cuba, although these are also limited by internal factors, influenced by a scheme copied from Eastern Europe.

He warned: Within this reorganization we must beware of the negative influence exerted by the world's current neoliberal hegemony. The world economy's technological package also includes racial discrimination, discrimination against women, unemployment, and selfishness, he said.

Regarding the pressure on Cuba to adopt so-called representative democracy, Blanco recalled that Cubans already shattered that paradigm in 1959 to install a democratic system with social justice.

We come from a system in which democracy became a mechanism for managing internal conflicts, said the chairman of the Felix Varela Foundation. He added that a much more advanced paradigm exists in Cuba today, but it is still evolving.

Blanco said: A new process of civilization begins on the planet today, based on cybernetics and computers, which have drawn the world closer together. They want us to think that U.S. domination is inevitable in that new civilization.

This is a challenge for our world today. It is also a challenge for Cuba, he stated. The workshop ends tomorrow with a summary of the debates and work proposals by CEA Director Luis Suarez.

Dominican Republic

'Prominent Haitians' Continue To Arrive

PA1410230294 Madrid EFE in Spanish 2120 GMT 14 Oct 94

[FBIS Translated Text] Santo Domingo, 14 Oct (EFE)—As the arrival of President Jean-Bertrand Aristide approaches, "prominent Haitians involved in the coup d'etat" are fleeing to the Dominican Republic, a Dominican diplomatic source said today.

The group includes Bernard Sansaricq, former president of the de facto Senate, and Gros Fanfan, second chief of the paramilitary political group Front for Haiti's Advance and Progress (FRAPH), the Dominican diplomat said.

Senator Sansaricq has been staying in a luxury hotel in Santo Domingo since Wednesday after he escaped from a group of Haitians who wanted to lynch him.

As on previous occasions, the former senator avoids meeting with the media and his name does not appear on the hotel's guest list.

Also in Santo Domingo are former Interior Minister Carl Michel Nicolas, who resigned after the de facto government and the United States signed the agreement allowing Aristide to return to power three years after the coup d'etat; Pierre Lisarde, former director of the Haitian Telephone Company; and Mireille Durocher, former chief of cabinet for military imposed President Emile Jonassaint, the source said.

The diplomat added that other former Haitian military officers and officials arriving in the Dominican Republic this week are not only people "who are fleeing because of their participation in the coup, but also rich people who fear a wave of violence in Haiti with the Aristide's return."

Haiti

Aristide Addresses Nation Upon Return

FL1610030694 Port-au-Prince Television Nationale d'Haiti in Creole 1749 GMT 15 Oct 94

[Address to the nation by President Jean-Bertrand Aristide on the steps of the National Palace, in Port-au-Prince; passages in italics in French; passages within quotation marks in English; passages within boldface in Spanish—live]

[FBIS Translated Text] *Honored and respected Prime Minister Robert Malval; U.S. Secretary of State Warren Christopher; Canadian Foreign Minister Andre Ouellet; Argentine Foreign Minister Guido Di Tella; Surinamese Foreign Minister (?Charles Rongrat); Swiss Counselor (Ruth Griffiths); Jamaican Deputy Foreign Minister (Benjamin Luca); William Gray, President Bill Clinton's special advisor on Haiti; ladies and gentlemen ambassadors; distinguished officials; friends of the international community; ladies and gentlemen ministers of the constitutional government; gentlemen presidents of the Senate and of the Chamber of Deputies; honorable senators and deputies of the Republic; honorable members of the U.S. Congress; ladies and gentlemen members of the Argentine Parliament; interim commander in chief; officers; non-commissioned officers of the Haitian Army and of the multinational force; dear friends; Haitian people:*

You are honored and respected, honored and respected! I open my heart and my arms to greet you in mutual respect and in a lavalas manner [lavalassement] under the hat of the honor of the Haitian people...[interrupted by applause] in a lavalas manner. My sisters and brothers, how happy I am to embrace you while placing a congratulatory crown on your heads, the heads of Haitians living here and in our 10th department [abroad]. Hand in hand with you, my voice joins yours in telling the Haitian people's friends: Welcome!

"Welcome! Feel at home! You are home."

We are in our country. Our country is our country. Hand in hand with you, we are happy to present the international community with a nice bouquet of flowers as a token of our gratitude. The perfume of this bouquet of thanks will envelop President Clinton and rightly so. The mayor of Port-au-Prince has given me the key to the city.

I offer it to all of you, the Haitian people's friends, who are happy to come and celebrate with us at this great reconciliation party. There has been less sadness and worry and more happiness and tranquility since 19 September 1994, thanks to Operation Uphold Democracy. We pick special flowers in the same garden of reconciliation for Secretary of State Warren Christopher, who is a clever man. Your mind is working when you do not speak. Thank you for being here, among us. Many thanks to the United States, Canada, France, Venezuela, and Argentina. Many thanks to all the countries that helped uphold UN Resolution 940, starting with the Caribbean Community.

We reserve several medals of honor for the Haitian people's many defenders—especially brother Bill Gray—not to mention U.S. senators and representatives. We will not mention Senators Christopher Dodd, Tom Harkin, John Kerry, and others. We will not mention the Black Caucus, which has always stood with Representatives Charles Rangel, Major Owens, (?Maxim Rogers), John Conyers, Donald Payne, Corrine Brown, Carrie Meek, Ronald Dellums, Chairman Mfume, and others. Other influential representatives, in addition to those in the Black Caucus, have repeatedly championed Haiti's cause: Representative Joe Kennedy, who was here on 7 February 1991, has returned with wife Beth this time; Representative (Folieta Obestas) remains steadfast with us; a grand salute to brother (Randall Robinson) and wife (Ezel). [applause]

A grand salute to the Reverend Jesse Jackson. [applause]

Sound the lavalas trumpet for Taylor Branch and for honored and respected (?Jonathan Demee), Ed (Saxon), Harry Belafonte, (?Andy Williams), and the many U.S. organizations that have always supported us.

And from Canada! What unbelievable joy! I remember their solidarity. I remember Prime Minister Jean Chretien. I remember Minister Andre Ouellet. I remember former Prime Minister Brian Mulroney. Of course, I remember the Haitian men and women who live there. To France, peace and happiness! To President Francois Mitterrand and wife Daniele, my wishes of continued success! How can I not honor the heroic courage of former President Carlos Andres Perez and Ambassador Jean Raphael Dufour. [applause]

Someone has always been with us, through both good times and bad. Many thanks to former OAS Secretary General Baena Soares...[interrupted by applause] to the new OAS secretary general; to the OAS; to UN Secretary General Butrus Butrus-Ghali; to the United Nations; and to Dante Caputo, the UN secretary general's former envoy.

Aibobo [voodoo word meaning "bravo"] to all foreign countries that lent us their sons and daughters to ensure that UN Resolution 940 would bear the nice fruit of peace for Haiti! [applause]

You must watch out for yourself. While the light of vigilance guides us, we take the opportunity to thank the Lord for his manifestation in the resistance of the people, in the faithfulness of a lavalas of fathers, sisters, and brothers, especially Father Jean-Marie Vincent. [applause]

Father Jean-Marie Vincent died alive. Jean-Boul [Vincent's nickname], you died so that Haiti could live. You are honored and respected. We honor and respect the memory of our 5,000 victims: Captain Fritz Pierre-Louis, Minister Guy Malary, brother Antoine Izmery, and all the other innocent people who died. You, the heroes, twinkle like stars. My condolences to you, parents and friends.

We walk in mutual respect with all the pastors, bishops, fathers, sisters, brothers, small churches, voodoo followers, protestants, and Catholics, who are praying continuously so that prayers are answered.

Days pass; days come; days go; then, ah, this day! Today is 15 October 1994. [applause]

Today is the day when the sun of democracy rises forever. Today is the day when the light of reconciliation comes on and begins to intensify. Today is the day when the eyes of justice open forever. Today is the day when security will begin to prevail at all times: security galore in the morning, full security at noon, and security for free at night! [applause]

Security brings peace, the oxygen that political parties need to develop, multiply, and work freely. This peace is the oxygen that senators, deputies, mayors, and Communal Section Administrative Council members need to carry out their constitutional mission. This peace is the oxygen that all socioprofessional organizations, peasant organizations, people's organizations, labor unions, basic church communities, and human rights platforms that want to inject the serum of deliverance into all the cores of the country need. The closer polling day comes, the more we need this oxygen. Elections for senators and deputies will be held soon, undoubtedly in December. Presidential elections will come before long. We must have peace so that all of that can be done properly. There must be tolerance so there can be peace. Tolerance does not mean excessive leniency: Tolerance means respect for one another's rights. It is by unwinding this very reel of wire of respect that we have managed to reach this day, 15 October.

This day was unattainable for three years, but we have managed to reach it with mutual respect [pandan twa zan jou fe n filalang, men nou rive akouche l nan respe youn pou lot]. What a beautiful day it is! Days pass; days come; then, ah, this day! Today is 15 October 1994. Today, we celebrate a day of deliverance hand in hand among ourselves and hand in hand with the international community, a nonviolent deliverance that winds off our resistance wire without vengeance. We waited for three years, but we did not wait in vain. It is better to be a long time in coming if that helps us succeed.

Is the return a success? [crowd shouts: Yes!]

Does the return bring democracy? [crowd shouts: Yes!]

Does the return bring tranquility? [crowd shouts: Yes!]

Does the return bring reconciliation? [crowd shouts: Yes!]

Does the return bring hope? [crowd shouts: Yes!]

Hope helps people survive. The return makes us feel like living. As the warmth of the return charges the battery of our hope and the stars of hope twinkle ever brighter, the more we must swear 77 times...[pauses] seven times that a drop of blood must never, never, never flow in the country. [applause]

Never, never, never must one more drop of blood flow. [applause]

"Never, never, never again must one more drop of blood flow." [applause]

All of us are thirsting for peace. Let us all live in peace. [applause]

So, all weapons must be idle [fok tout zam bebe] [applause]

The question of coup d'etat must be over forever. We will map out a Haiti based on law, using our constitution as a compass. The law is the law. This is why the first declaration of the constitution stipulates: All Haitians have the right to live, the right to live freely, the right to live comfortably. It is those same fundamental rights that we find again in Article 4 of the constitution, which stipulates: All Haitians are brothers and sisters.

"A great man once declared: I have a dream. Twenty-eight years later and over 1,000 miles away, (?the voice) of that dream echoed in Haiti as this proud nation's dream of democracy. Deferred but never abandoned, this beautiful dream lives on...[pauses] in the heart of the nation. From Reverend Martin Luther King's homeland, the United States, we continued to say that we do have a dream." [applause]

"From today, in our beloved Haiti, we say that we had a dream and that our dream of democracy has become a reality. This restoration...[interrupted by applause] This restoration of democracy is bringing peace for all, reconciliation among all, respect and justice for every single citizen. Caribbeans, North Americans, Latin Americans, Europeans, Africans, Asians, the world is united to witness the restoration of democracy in Haiti. I grab this opportunity to thank the international community for its commitment to stand by the people of Haiti in this celebration of democracy. We are grateful to President Clinton for his leadership in implementing the principle resolutions of the United Nations and the OAS. This leadership has helped to redefine the relationship between Haiti and the United States, offering Haiti this opportunity to be a state of law and offering the United States an opportunity to reaffirm a national pledge to uphold democracy in the world. Yesterday morning, in a moving celebration at the White House, President Clinton said: The return of President Aristide is a victory for freedom in the world. Thank you, President Clinton, for your commitment to democracy in Haiti. Men and women of the international community, your presence here, in Haiti, is welcome. As I said, feel at home, feel at home. And, in fact, you are home. It is proof of the world's commitment to democracy. We thank you for your support, for the sacrifices that you have made to be with us.

"To all those who question their dreams, remember 15 October. To all those who are discouraged in the pursuit of their dreams, remember 15 October. October 15 affirms the strength of solidarity, the fortitude of convictions, the power of dreams. The individual efforts of all world's citizens committed to democracy shared responsibility for the great hope, for the future that today symbolizes. You who traveled with us home, to Haiti, demonstrate that your journey with the people of Haiti continues. Your words, your energy, your enthusiasm, your spirit are rewarded by this momentum for step toward lasting peace.

"With you, with you, Secretary of State Christopher, again and again, we will continue to say: no to violence, no to vengeance, yes to reconciliation. [applause]

"Today, we embark on a new beginning, ready to share peace, reconciliation, and respect among all our citizens. The success of this mission in this small corner of the universe will reflect the kind of new world order that we can recreate. In the words of President Clinton: Bonne chance Haiti, Thomas. [applause]

"To our neighbors in the Caricom and in Latin America, how great it is to be participating in a process that will strengthen the historic bounds that tie us and to promote together the cause of democracy in the Western hemisphere."

We, Haitian men and women, united with the international community, face a considerable challenge on the eve of the year 2004, our bicentennial, namely improving our people's quality of life sensibly. Thus, there is the desperate need to move from inhuman misery to poverty with dignity. This challenge calls out to all of us because misery hurts us all. Pleased to walk in your company toward this new Haiti, allow me to renew the oath that I took before the General Assembly on the beautiful morning of 7 February 1991: I swear before God and before the nation to observe and faithfully reinforce the constitution and the laws of the Republic, to respect and make respected the rights of the Haitian people, to work on the greatness of the homeland, to maintain national independence and territorial integrity.

Dawn is breaking, and the dream of millions is a reality. The sun of democracy shines over Haiti. The tree of

freedom, which bore its first fruit in 1804 with the proclamation of the first free Latin American nation, is reinvigorated by the light. The doves of peace have begun to build their nests. The sap flows through the trunk to the rhythm of the Haitian tomtom. The roots drink the water of the inexhaustible source of life where root and future meet.

One moment can seem to last forever. Today [word indistinct] of the night we reconcile [words indistinct] and opens a new future for us. We plant together. Women and men, poor and rich, military and civilian, children and elders [words indistinct] tolerance and justice [words indistinct] of love and solidarity. We harvest with our Dominican brothers and sisters the sacred fruits of happiness and communion each day. Haiti and the Dominican Republic are the two outstretched wings of a bird, twin flowers, two nations that share the beautiful island of Hispaniola.

That is why we are pleased today to be able to return to pouring the coffee of reconciliation through the filter of justice to filter out the grounds of violence and vengeance. With this coffee of reconciliation, we will not thread a headless needle in the dark [nou pap file zegwi san tet nan fe noi; i.e., we will not do the impossible]. With this coffee of reconciliation, we will not wash our hands and dry them in dirt. With this coffee of reconciliation, we will find the means to fight misery, overcome the high cost of living, draw the path of economic progress, spread work throughout the country. It is a challenge that we can take. Many hands can lighten the load. Many hands can lighten the load. [crowd repeats]

Louder! Many hands...[crowd shouts: Lighten the load!]

Louder! Many hands...[crowd shouts: Lighten the load!]

You cannot eat okra with one finger [yon sel dwet pa manje kalalou; i.e., one person cannot do all the work]. You cannot eat okra with one finger.

The lamp of democracy must be turned on 48 hours, on 48 hours. How can we turn on the lamp of democracy? Plant the wick of reconciliation in the fuel of justice and light it. Light will spread, hope will prevail, Haiti will smile. The light of reconciliation will spread even further if you do not plunder.

You can get into trouble if you plunder. When you are in trouble, you are already having problems. [lumie reconciliation pou piyay, mem si nou pa nan piyay. Le ou nan piyay, ou san le nan deblosay. Le ou nan deblosay, ou deja nan ayaya.]

We can now relax to the rhythm of compa [popular Haitian music] as we make order out of disorder. Our handkerchief of dignity has always been in our pocket of prestige [pas ke mouchwa dignite nou, toujou nan poch prestij nou; i.e., we have retained our dignity and prestige]. Order and discipline, yes; order up and down, yes; order and discipline all the time and everywhere, yes; while respecting each other, yes. You can relax. Relax. Pour the syrup of relaxation in a lavalas manner. Softly, calmly, relax. Watch out above, watch out below [veille an ro, veille an ba]. Look forward, look backward. Move forward to the rhythm of the compa of democracy softly, calmly, coolly. Get into the rhythm, swing, keep cool. Spread peace among yourselves, peace in your country, peace everywhere. If you come across an armed attache, turn him in to the military that assures security. [applause]

Walk hand in hand every day with the Haitian military, which wants peace, and the U.S. military and the multinational force, which are here to ensure complete security.

Officers, noncommissioned officers, soldiers: I bring peace to you. I bring peace to you. Hand in hand with you, we will rebuild our country in an atmosphere of reconciliation.

The whole world is watching every step that Haiti takes. You are a model group among those who are champions in doing what is right. Violence, no; vengeance, no; reconciliation, yes; justice and peace, definitely yes [se sa net]! I want to hear your voice call out your answer. Violence, no; vengeance, no; reconciliation, yes; justice and peace, definitely yes! [crowd repeats and applauds]

Let me hear your answer. Let the whole world hear your answer. Spread the news everywhere with your own voice, as a great people who want reconciliation and peace. Violence, no; vengeance, no; reconciliation, yes; justice and peace, definitely yes! [crowd repeats]

What a beautiful people! What a great people! What a model group! [applause]

You should not be surprised to find that I am in love with you. You should not be surprised to find that many people are crazy about you. You should not be surprised to find many people falling into your laps, becoming entwined in your arms. Rebuild Haiti so that it blossoms and makes everyone smile. Aibobo to the Haitian people! Hats off to the youth of Haiti Thomas. To all children in the nine departments and those in the 10th department: Lots of love and kisses.

Children, where are you? [crowd answers: Here we are!]

Children, where are you? [crowd answers: Here we are!]

Youths, where are you? [crowd answers: Here we are!]

Children, where are you? [crowd answers: Here we are!]

Haitian people, where are you? [crowd answers: Here we are!]

Elegant young men, where are you? [crowd answers: Here we are!]

Elegant young women, where are you? [crowd answers: Here we are!]

I am here, too. I am here, too. [applause]

We are here together. [applause]

We will walk together. We will change the country together. We will progress together. Do you like to walk with the soldiers who are here? Are you happy to sit hand in hand with the foreign soldiers? [crowd shouts: Yes!]

Do the foreign soldiers offer security? [crowd shouts: Yes!]

Security in the morning? [crowd shouts: Yes!]

Security at noon? [crowd shouts: Yes!]

Security galore? [crowd shouts: Yes!]

Security for free? [crowd shouts: Yes!]

On your behalf, I present a bouquet of flowers to express our love and a bouquet of flowers to express our gratitude to all those countries that sent their daughters and sons to cooperate with us so that this change could take place. Let me pick up all the warmth of this love and say once again:

I love all of you. "I love all of you." [applause]

I love all of you. "I love all of you."

Haitian youths: Congratulations on the nice steps that you have already taken toward civilization [konpliman pou bel veve sivilization nou trase deja]. Congratulations on the beautiful solidarity that you will keep showing [konpliman pou bel veve solidarite nou pral kontinye trase a].

Haitian women, courageous Haitian women, where are you? [crowd answers: Here we are!]

You, courageous women, who are never tired of having the entrails of the 10th department boil, you, courageous women who are pumping life into the entrails of our nine departments, allow me to bow down and walk step by step to hail your courage. Yes, ladies, you are skillful. You are capable of a lot [wi, medam, kanta pou genyen an, nou genyen]. Men today know their responsibilities regarding women: The best way to salute women while the eyes of the entire world are turned upon us is to give them a poetic salute.

A great female poet read verse at President Clinton's inauguration on 20 January 1992. On behalf of all men who know the value of a mother and who are cooperating with women for total and complete deliverance, I have come to repeat on 15 October 1994: Women are women, women are spry, women have souls, women are tough, women are courageous, women are strong, Haitian women are true women. [applause]

They suffer. Haitian women are the queens of fighting misery. Haitian women are courageous. Haitian women are always there to find the solution no matter the problem and to say: We are here and steadfast. Women are women. Women are not sugarcane. Sugarcane syrup attracts ants. Sugarcane syrup attracts life, life for Haiti that is [words indistinct] without dying, life so democracy can be established in Haiti, life so we can escape dictatorship. We will fail if courageous women and spry men do not get together. If courageous women and spry men get together, together we will make a lavalas of men and women who will constitute a lavalas of reconciliation, tranquility, happiness, justice, and peace for you, for me, for him or her, for us, for all of us...[interrupted by applause] rich, poor, military, civilian, for him, for her, for you, for me, for all of us [words indistinct] who are smiling to one another, eyes on eyes, hand in hand, side by side, and arm in arm.

If you do not trust me, look at how the person next to you looks into your eyes, smiles at you, and shakes your hand. If you do not trust me, look at how the person next to you looks into your eyes, smiles at you, shakes your hand, and tells you that he agrees to walk with you. Everyone, look to see if the person next to you is not looking at you. Look, look into the eyes. Look how happy he is that you are giving each other encouragement. That is good, and this is how we will be able to keep walking. This is how we will be able to continue to pour the coffee of reconciliation through the filter of justice to filter out the grounds of violence and vengeance. Alone, we are weak; together, we are strong; tightly united, we are lavalas. Alone, we are weak; together, we are strong; tightly united, we are lavalas. [applause]

OAS Chief Assures Aristide on Reconstruction

FL1410200494 Port-au-Prince Signal FM Radio in French 1030 GMT 14 Oct 94

[FBIS Translated Text] Haitian President Jean-Bertrand Aristide reiterated at OAS Headquarters last night that he is willing to work toward reconciliation and toward the peaceful reconstruction of his country. The Haitian head of state told those attending a reception honoring the governments that supported him during his years in exile that he is willing to build a new order based on solidarity, mutual respect, and our capacity for reconciliation. Aristide thanked U.S. President Bill Clinton and former Venezuelan President Carlos Andres Perez, in particular, who helped him leave Haiti alive. Cesar Gaviria, OAS secretary general and former Colombian president, assured him that the OAS will help him make Haitian reconstruction a reality. Gaviria concluded by saying: Mr. President, today we all feel like Haitians.

Businessmen Express Concerns Over Aristide Return

FL1410221194 Port-au-Prince Signal FM Radio in French 1030 GMT 14 Oct 94

[FBIS Translated Text] The majority of wealthy Haitians are nervous about President Jean-Bertrand Aristide's return on 15 October, which they see as a return to disorder and chaos. Wealthy Haitians remember their nine-month nightmare, between Aristide's election win and the 30 September 1991 coup.

Michael Madsen, an importer of wine and liquors and owner of Haiti's only brewery, told AFP that he saw burned bodies in the streets. He was referring to dozens of people who were burned alive while being necklaced, a form of torture which Aristide seems to have encouraged at the time. Reynold Bonnefil, president of the Association of Agricultural Producers, accuses him of having stirred a class struggle by inciting the most underprivileged people to target the rich simply because they have money. Shantytown residents welcomed Aristide's antibourgeois rhetoric, for it conjured up the image of a handful of great families growing richer through commercial monopolies and by bleeding the country.

There was no sense of state control of anything in Haiti, which left the field open to private interests. Many took advantage of exceptional opportunities, particularly in the financial area. Businessmen claim that they played Aristide's game. Why did he refuse our offer to cooperate, Madsen asks. Businessmen, in general, welcomed the 30 September 1991 coup. Charles Plaisimond, a finance company administrator, admits: (?We were relieved). Gregory Mevs is one of the few who say that the coup was the worst thing to happen to the country. Mevs, member of a family that is active in various sectors, including sugar imports and harbor activities, says he never had problems with President Aristide.

Most businessmen feel that with the choice between the three years of military rule and the kind of rule that was practiced seven months before that, the military rule was the lesser of two evils. Madsen says that although many suffered repression, there was a certain sense of order in the country. Madsen asserts that he did not like this order and that the employers never put up with this situation. [sentence as heard]

With Aristide returning to power at the hands of the United States, anti-U.S. sentiment is on the rise within the business community. Madsen says that the country has been in complete shambles since U.S. troops arrived. Looting is on the rise because there is no Army or police force to control it and because U.S. forces refuse to take charge and maintain order. The feelings of insecurity shifted from the shantytowns to the nicer neighborhoods with the U.S. troops' arrival. Gerard Bailly, an importer of food, pharmaceuticals, and medical goods, says: We see that democracy has gotten off to a bad start and are confused. Chaos should have been brought under control from the beginning. I do not want to see chaos take over.

Businessmen also disagree with Aristide on the ultraliberal economic program that his advisers discussed in Washington, a program that calls for a total abrogation or reduction by half of all customs rates.

Aristide's 'Main Challenge' To Draft Economic Plan

PA1610223694 Mexico City NOTIMEX in Spanish 1946 GMT 16 Oct 94

[By Maria Lurdes Pallais]

[FBIS Translated Text] Port-au-Prince, 16 Oct (NOTIMEX)—The main challenge President Jean-Bertrand Aristide faces in creating a legal state is drafting an economic plan based on the reconciliation of the interests of all Haitian sectors.

"It is the first time in history that a deposed president has returned to power," said Ren Theodore, leader of the reformed Haitian Communist Party.

"Now that the popular vote is once again being respected, it is necessary to create a viable economic program, accepted by all," he said.

Theodore, who is considered an Aristide ally, could again hold a post in the new cabinet, whose members should be appointed in the next few days. He spoke moments after Aristide arrived in Port-au-Prince on Saturday afternoon.

"The legal state cannot exist without a viable economic project," Serge Joseph said, who is a conservative senator and vice president of the Senate. Joseph withdrew his support from the coupist military troika a year ago.

"This should be the president's priority: Present his economic program to the people and make sure that the majority accept it," the parliamentarian added.

In order for the new Aristide-designed economic plan to work in Haiti—where the per capita income is $350 and where the economic power is in the hands of 30 white and mulatto families—it must have the support of this elite, an entrepreneurial source said.

"Hopefully Aristide is now willing to represent our interests, even though I doubt it," said the source, an entrepreneur who represents several U.S. spare parts companies in Haiti and who did not want to be identified.

The political movement that brought Aristide to power, known as "lavalas" (avalanche), is considered populist and extreme left.

Party ideologist Gerard Pierre-Charles, one of its founders, nevertheless disclosed that "the most important priority is the reconciliation among all."

But the "lavalas" political manifesto, drafted in April, excludes this elite.

According to UN data, the document asserts the rights of nearly 90 percent of the Haitian population living under conditions of extreme poverty and with a life expectancy of no more than 45 years.

Lavalas, created in 1986, defines itself "as a new type of political organization, with a democratic character, popular, and participatory." The movement also calls for the creation of an economic option "based on the advancement of a peasant economy."

According to Joseph, he as well as Theodore agree in that as of this Monday, when the economic blockade imposed by the United States against Haiti is going to end, Aristide "and his work team must begin preparing their economic program."

The issue of who will comprise Aristide's "work team" is another government priority, since Prime Minister Robert Malval and several of his cabinet members could possibly resign this week, according to sources close to them.

OAS Secretary General Cesar Gavira, who attended Aristide's return to power, pointed out that "dynamic social inversion is critical in Haiti if reconciliation, and the force of law are to prevail."

UN experts classify Haiti, whose GNP is $2.24 million annually, as the poorest country in the Western hemisphere and one where poverty affects more than 80 percent of the population.

Because of this, Haiti's survival depends on foreign aid since the country lacks industries or infrastructure, according to a UN paper entitled "Overal Humanitarian Action Plan," made public in Port-au-Prince two years ago.

"We must take advantage of the total support offered by the international community in order to create a climate of peace and safety for us all," Theodore explained. In 1992, Theodore, a member of the National Reconstruction Movement [MRN], was appointed prime minister designate by Aristide.

"Haiti will receive much assistance from the international community. At the OAS we have several projects that include financial assistance," Gaviria, the former Colombian president, pointed out without specifying what the projects were or when the assistance would arrive.

This Sunday, U.S. Ambassador to Haiti William Swing stated to the press that his country is "willing to do all that is necessary to help reconstruct Haiti." At the same time, he announced that a $500 million aid package would be sent at a date still to be specified.

In addition to the aid promised by the United States, Canadian Foreign Affairs Minister Andre Ouellet announced during a dinner this past Saturday after Aristide's first address, that Canada would be sending $30 million to Haiti.

While being served dinner this Saturday at the National Palace, Ouellet, to the suprise and joy of everyone, spoke in Creole, the language used by impoverished Haitians and announced that "During this difficult times, Haiti can count on Canada's friendship and support."

An international observer who traveled to Port-au-Prince with one of the three delegations accompanying Aristide from Washington this past Saturday pointed out that "Ouellet is the first Aristide guest who has spoken to them in their own language."

FRAPH Leader Anticipates Aristide Return, Reconciliation

FL1410211294 Port-au-Prince Radio Metropole in Creole 1045 GMT 14 Oct 94

[Interview with Emmanuel Constant, secretary general of the Revolutionary Front for the Promotion and Progress of Haiti, FRAPH, by unidentified correspondent; date and place not given; first paragraph announcer-read introduction in French—recorded]

[FBIS Translated Text] FRAPH says less than 48 hours before President Aristide returns to Haiti that it is time for festivities and not fear. Emmanuel Constant insists that President Aristide must work toward national reconciliation. FRAPH's commander in chief believes that Saturday will afford the nation the opportunity to set a good example of brotherhood for the whole world. Constant appears moderately optimistic about 15 October, the date President Aristide is scheduled to return:

[Constant] If there is no violence...[pauses] Small groups are trying to ransack and incite violence. If there is no violence, the international community will see that Haiti has definitely decided...[pauses] Everyone in the field is truly determined to fight for a valid reason and not for personal interests. We want to move toward real reconciliation, toward rebuilding Haiti.

[Correspondent] How will FRAPH militants react? Will they greet President Aristide?

[Constant] Like I said, national reconciliation is the watchword. Those who want to go will go; those who do not want to go will not go. This is democracy. We only ask that President Aristide consider judicial reform before he speaks of justice, because the people cannot deliver justice on their own. We must implement judicial reform if we want true justice in Haiti. Justice means people having enough to eat, sleeping well, sending their children to school, and taking care of them. Judicial reform is the top priority. We must implement prison reforms, for prisoners can no longer live the way they are living now.

[Correspondent] Some Aristide supporters believe that FRAPH leaders should be tried.

[Constant] FRAPH must be seen in a political context. An attack on the FRAPH secretary general is an attack on the secretaries general of all other political parties. A political party is not responsible for the actions of just one of its members. I am just as likely to fall under Parliament's political amnesty as I am to be condemned for FRAPH members' violent acts against Aristide militants. Although I believe Aristide when he says that he does not plan to return with a vengeance, there are extremists who do not want to see reconciliation. This is what we want to avoid. If we can bring the two camps together, then the grassroots will rally, the bad tendencies will finally drop, and the country will once again be moving toward reconciliation and peace. [end recording]

Duperval Found Carrying Grenades at Palace

PA1710021494 Madrid EFE in Spanish 0148 GMT 17 Oct 94

[FBIS Translated Text] Port-au-Prince, 16 Oct (EFE)—General Jean-Claude Duperval was intercepted today at the doors of the presidential palace of Haiti when he tried to enter bearing grenades, according to sources close to the government of President Jean-Bertrand Aristide.

As soon as the news was learned, hundreds of pro-Aristide supporters gathered in front of the presidential palace demanding punishment for what they considered an attempt to end the president's life.

Gen. Jean-Claude Duperval was searched before entering the palace by U.S. security forces, who seized the grenades and are attempting to determine the acting Haitian Army commander's intentions.

Military sources denied that there had been an attempt to end President Aristide's life and added that Gen. Duperval has not been arrested, only searched upon his arrival at the palace.

However, an aide of President Aristide declared that "one cannot dismiss the fact that the intention of assassinating the president existed."

The rumor started when it was learned that Gen. Duperval's vehicle had been searched by U.S. military personnel upon entering the National Palace and that those accompanying him had been disarmed. Since Aristide's arrival, all visitors to the palace are subject to rigorous security measures, which this time included the Army commander.

Asked by EFE about the rumor of Duperval's arrest, Colonel Jean-Robert Gabriel, secretary of the Haitian Army High Command, denied it.

"Gen. Duperval, after a meeting at the National Palace with President Aristide, is at a work meeting with the high command," Gabriel reported. "The acting commander will participate in an official ceremony on Monday with President Aristide," the colonel added.

Duperval, who took command of the Haitian forces last Monday, after Gen. Raoul Cedras left for exile in Panama, did not want to make any statements about the rumor of his arrest.

Late today, Radio Metropole issued a denial by a Presidency official and confirmed that Duperval met with the president of the nation.

Meanwhile, thousands of persons are gathered in front of the National Palace, armed with sticks, and have said they are ready to defend President Aristide, whom they believe is threatened by the Haitian military.

Alleged Plot Provokes Riots

PA1710045794 Mexico City NOTIMEX in Spanish 0334 GMT 17 Oct 94

[FBIS Translated Text] Port-au-Prince, 16 Oct (NOTIMEX)—The alleged dismantling of a plot to attack Haitian President Jean-Bertrand Aristide, which reportedly involved provisional Army Commander Jean Claude Duperval, today provoked riots in several cities.

Government sources have explained on television that rumors about an alleged plot to attack Aristide are the result of a mistaken interpretation of a situation that took place when Duperval entered the National Palace, where Aristide, who returned to the country yesterday after three years in exile, was at the time.

When Duperval entered the palace, he surrendered his weapon as a result of the security procedures established by the occupation forces. This was interpreted by onlookers outside the palace as the dismantling of a plot against Aristide.

The rumor of the alleged plot spread quickly and hundreds of persons soon gathered in front of the palace with sticks, machetes, and rocks to protest against the military.

According to the rumor, U.S. soldiers seized grenades and grenade launchers from Duperval when he tried to enter the palace.

In Gonaives, a group of angry people alarmed by the rumor set fire to the house of the general's mother, who lives in that city. Apparently the residents of the house are safe.

Aristide advisers quoted by international news agencies have reported that they cannot disregard an attack. U.S. military sposkesmen have said they know nothing about the seizure of grenades from Duperval.

The local television station has broadcast a message to calm the population. It notes that reports about an alleged attack on Aristide are just the product of a misunderstanding.

Information Minister Denies Rumors

PA1710051294 Madrid EFE in Spanish 0356 GMT 17 Oct 94

[FBIS Translated Text] Port-au-Prince, 16 Oct (EFE)—Haitian Information Minister Herbe Denis today denied rumors spread in the Haitian capital about an alleged attempt against the life of President Jean-Bertrand Aristide.

The official statement was made after Haitian acting commander General Jean-Claude Duperval was intercepted at the doors of the presidential palace of Haiti when he tried to enter with grenades, according to sources close to the government.

The rumor spread when it was learned that Gen. Duperval's vehicle had been searched by the U.S. military at the entrance of the National Palace and those accompanying the general had been disarmed.

Denis, after explaining that all the rumors are "false," said Aristide asks the Haitian people to maintain "calm, order, and discipline," and states that "democracy is not in danger" in Haiti.

As soon as it was learned that Duperval's vehicle had been searched, hundreds of pro-Aristide supporters gathered in front of the palace and demanded punishment for what they saw as an attempt to end the president's life.

The minister begged thousands of youths, armed with sticks and machetes, who were heading from Saint Jean Bosco, in the northern part of the capital, toward the presidential palace, to return to their homes.

The demonstrations lasted several hours, until U.S. soldiers were able to disperse them and make the people go home.

Denis noted that Aristide has met with General Duperval, that "everything is fine," and that "if the people want to help the president, they must remain calm."

The minister said: "Democracy is not being threatened at all."

Meanwhile, and in spite of the government's comforting declarations, political violence today took two new victims in Cite Soleil, one of the poorest neighborhoods in Port-au-Price's northern zone.

Violence broke out when 24 "vigilantes," supporters of Aristide, armed with machetes went from house to house looking for members of a paramilitary group that murdered followers of the Haitian president.

The vigilantes broke into the house of Lorreuis Francois, a member of the paramilitary Front for Haiti's Advance and Progress, who stepped out of his house with a machete and killed the first person he found in his way, a taxi driver.

When the vigilantes found out what had happened, they returned to the house and killed him with a machete blow.

These acts of violence have taken place less than 24 hours after President Aristide called for an end to the killings between Haitians and for national reconciliation.

Army Officer Reportedly Kills 2 Aristide Supporters

PA1610211894 Hamburg DPA in Spanish 2026 GMT 16 oct 94

[FBIS Translated Text] Port-au-Prince, 16 Oct (DPA)—It was reported today in this capital that a Haitian Army officer reportedly killed two persons who were demonstrating in support of Haitian President Jean-Bertrand Aristide.

Others were wounded in the incident, which reportedly took place yesterday in the city of Cabaret, approximately 50 km north of the capital.

The U.S. Press Office in Port-au-Prince has told the media it has no information about this incident.

According to witnesses, demonstrators who were celebrating Aristide's return walked in front of the local military station. The officer in charge gave the order to shoot, and while his soldiers shot at the air, he aimed his gun at the crowd.

Aristide, who yesterday made a triumphant return to his island country after three years in exile, did not appear in public today. The cabinet of Prime Minister Robert Malval met this afternoon (local time), but the media has not been told whether Aristide attended that session.

Marcos Threatens War, Refuses To Accept Political 'Bossism'

PA1610194894 Madrid EFE in Spanish 1703 GMT 16 Oct 94

[FBIS Translated Text] Mexico City, 16 Oct (EFE)—The EZLN [Zapatist National Liberation Army] has threatened to resume war if the government insists on imposing Eduardo Robledo, candidate for the ruling Institutional Revolutionary Party [PRI], the media informed today.

Speaking to delegates from the National Democratic Convention [CND], "Subcommander" Marcos reiterated the EZLN's decision to resume military actions against the government forces, adding he will not accept political bossism to continue in Chiapas.

According to the official results of the 21 August elections, Ernesto Zedillo won the presidential election, and Eduardo Robledo Rincon won the race for Chiapas governor.

"If they want to slug it out in the entire country, we cannot respond to the Federal Army's provocations with little white rags" according to "Subcommander Marcos," who said "we are an army, not a labor union or a neighborhood club. If the Army is preparing to impose Eduardo Robledo Rincon, there is going to be war here if he is imposed. I am speaking of Mexico, not Chiapas."

Subcommander Marcos warned the CND delegates, who arrived in the area under EZLN control to bring a shipment of approximately 150 tons of supplies and medicines, that war could be unleashed in the entire country.

Marcos told those attending the convention "they have been provoking us to the verge of war. We warned them on 8 August that war would not be limited to Chiapas only if it is unleashed once again."

He made a call to the CND members to stop turning this organization into a committee of solidarity with the people of Chiapas: "This is not Central America; it is Mexico."

Marcos criticized the members of the CND Organizing Committee for not having held an analysis meeting to evaluate the results of the 21 August presidential election.

Marcos denied reports of an alleged rift among the EZLN ranks, reports that have mentioned a struggle among groups within the EZLN because the hard-liners were imposing themselves. He warned their communiques would be more rigorous from now on so that they could be understood more clearly.

The guerrilla leader criticized those attending the convention for trying to demoralize the EZLN rank and file in an attempt to convince them to surrender to the government's military forces and accept a negotiation, and he warned they would allow no one to tell lies.

The EZLN will not be the "playing card" of any party; it will not be a playing card being negotiated between the Party of the Democratic Revolution [PRD] and the government. He said they would do everything possible to prevent the CND from becoming somebody's playing card. It should not be subordinated to any organization, he said.

Marcos criticized the CND and the PRD for not preparing themselves to avert the electoral fraud and for not preparing a civil rebellion to defeat the government's impositions and annul the elections.

He told the CND "if you want a war to defend your votes, we are going to wage a war, but it must be a decision made by the CND. If you want to march into the capital, we would do it; otherwise, we are going to make the decision by ourselves," he said.

The charismatic leader said they owe nothing to anybody. "We go out to fight, and we die alone."

He also said "who knows what would have happened had it not been for the 12 January ceasefire. I believe many federal soldiers owe their lives to you, much more than they think." He added the only enemy for the EZLN and everyone is the ruling party.

Chiapas Peace Process 'Very Shaky'

PA1510013694 Mexico City EL FINANCIERO in Spanish 10 Oct 94 p 80

[Report by Francisco Gomez Maza]

[FBIS Translated Text] San Cristobal de las Casas, 9 Oct—Although the mediation team headed by Bishop Samuel Ruiz Garcia is confident that there could be another meeting at the peace negotiations table between the federal government's commissioner and representatives of the Zapatist National Liberation Army (EZLN) before the change in government, the truth is that the dialogue is not facing its best time.

Ruiz Garcia said that the dialogue between the federal government and the Clandestine Indian Revolutionary Committee (CCRI) was not suspended, because there has been a permanent exchange of confidential documents. The facts, however, reveal that there are no signs of a new person-to-person meeting between the parties two months prior to the presidential transfer. Meanwhile, there are rumors of violence in the mountains of Chiapas that are inexplicably attributed to presumed EZLN members.

According to mediation team sources, Jorge Madrazo Cuellar, the commissioner of the government of President Salinas, and the CCRI have so far only maintained contacts through confidential documents containing information and mutual proposals, which are not being disclosed to the media for obvious reasons.

Gonzalo Ituarte, vicar general of the San Cristobal Diocese and member of the mediation team of Bishop Ruiz Garcia, described the situation as very difficult, "very shaky."

There are several basic factors obstructing the peace process in Chiapas, including the postelectoral situation, which is turning very delicate, the land problem—various peasant groups have "recovered" innumerable plots throughout the state, especially in the area of Los Altos, and the explosive problem in the muncipality of San Juan Chamula, where the murderers of caciques 10 days ago killed three Chamulas from a group of nearly 600 who returned to their hometowns after having been in exile for two years.

There have also been acts of violence that concern the citizens and the mediators such as attacks by armed hooded men on several cattle ranches last week in Las Margaritas, in what has been called the "gray zone" between the area under EZLN control and territory under Mexican Army control.

Likewise, there is great tension in other areas, aside from the squatters' actions, given the attacks perpetrated by armed groups—including the attack on the Teopisa Municipality, located close by. A group of policemen was at a post and men armed with sophisticated machineguns later arrived in three station wagons and warned the policemen to leave the post or the armed men would return to gun them down.

Peace Commissioner Madrazo Cuellar met with Ruiz Garcia on Friday and Saturday to deliver the CCRI's specific proposal, which was not revealed, within the "written dialogue" process with the Lacandona jungle groups.

Ruiz Garcia said: Despite the peace process' stalemate, the EZLN's admittance that human rights have been violated in its territory is encouraging, so the Mexican Human Rights Network has been asked to conduct an investigation and train personnel to create a human rights office.

According to Ituarte, a meeting between the parties "may occur" before 1 November, when the change in government will occur, because, "evidently, when there is a president of the republic, he has all the authority to make proposals, hold negotiations, and adopt decisions, which Ernesto Zedillo Ponce de Leon will respect, as he has personally stated on many occasions. [no end quotation mark as published]

Nevertheless, the mediation team led by Ruiz Garcia is practical. It harbors no illusions, but it is optimistic "because we are convinced that, basically, we all want peace, no one wants war, and the greatest efforts will be exerted to achieve progress in the peace processes."

Although no one thinks the problem will be solved by a single action, because "it is an extremely complex problem, a truly tangled affair," there is "rational optimism" that a meeting will eventually take place between the government and the EZLN, although there "are many historical elements that yield ominous results; and there are now many interests, many perspectives, many views, that render the issue much more difficult."

Nevertheless, the mediation team is stating its concern, not over the inauguration of Governor-elect Eduardo Robledo Rincon but over what steps will be taken during the negotiations between the government and the EZLN and after 12 October, when many Indian and peasant demonstrations and rallies will be held to commemorate 502 years "of Indian, black, and popular resistance," to repudiate the "victory" of Institutional Revolutionary Party candidate Robledo Rincon and to support opposition candidate Amado Avendano Figueroa.

Baja California Municipality Joins Operation Dignity

PA1410171294 Mexico City XEW Television Network in Spanish 0430 GMT 14 Oct 94

[From the "24 Hours" newscast]

[FBIS Translated Text] Another Baja California municipality has decided to join Operation Dignity in order to protest the racist attitudes toward Mexicans in California.

Operation Dignity has reached as far as the municipality of Tecate, Baja California, whose adherents oppose buying anything in the United States as a protest of Proposition 187, under which illegal aliens will be ineligible for educational and health services.

Hundreds of Tecate residents have decided to refrain from making purchases on the other side of the border and crossed to carry out only unavoidable work commitments:

[Begin recording of Jose Arvizu, adviser to the Baja California Defense Coalition] There are some people, fortunately, who are aware of the situation and the repercussions of Proposition 187. These people have decided to heed our calls and not make any purchases on the other side. They are determined to continue this protest and cross the border as little as possible. [end recording]

Despite Tecate Municipality's proximity to Tijuana, the region's geographical conditions have served to deter an increase in illegal aliens crossing the border:

[Begin Tecate Municipal President Pablo Contreras recording] We have not had any massive inflow of immigrants into Tecate. We believe we might have some problems in the medium term if the situation continues, but we have not had any reports so far about individuals sleeping overnight on the public highways, streets, and so forth. [end recording]

Three More Arrested for Ruiz Massieu's Assassination

PA1410123594 Mexico City XEW Television Network in Spanish 0430 GMT 13 Oct 94

[From the "24 Hours" newscast]

[FBIS Translated Text] Three individuals implicated in the assassination of Jose Francisco Ruiz Massieu have been detained in Almoloya de Juarez Prison, Mexico State. A total of 13 people have been arrested in connection with the assassination of Jose Francisco Ruiz Massieu.

According to the latest reports from the Attorney General's Office [PGR], at 1630 this Wednesday, Fernando Rodriguez Gonzalez was registered at the Almoloya de Juarez Maximum Security Prison, in Mexico State. Rodriguez Gonzalez allegedly assisted in masterminding the assassination of Ruiz Massieu.

He was transported in a station wagon and guarded by 60 Federal Judicial Police [PJF] agents who were riding in six other station wagons. At the entrance of the prison, Rodriguez Gonzalez' fingerprints were taken and his entry card was prepared.

In addition, the PGR [Attorney General's Office] reported it issued a second arrest warrant against the same individual, Fernando Rodriguez Gonzalez, on charges of contraband and tax evasion. It was confirmed that Rodriguez Gonzalez, as director of the Company Almacenadora Sansui S.A. de C.V., conducted fraudulent imports from 21 November 1990 to 26 December 1990. The amount of fraud totals 525.881 million pesos. Rodriguez Gonzalez will have to repay twice as much as the damage caused.

Meanwhile, the PGR reported that in a rapid operation, they arrested Manuel Espinosa Milo and his wife Maria Esperanza Martinez Vera de Espinosa for hiding Manuel Munoz Rocha, deputy on sabbatical, for two days in their home in Pachuca, Hidalgo State, Madero Avenue, No. 53. They gave him clothes and a car in which he allegedly fled to the north of the country.

It is a white, four-door Jetta, 1992 model, with license plate HGP1875 from Hidalgo State. Munoz Rocha reportedly fled in this vehicle.

FBI Informer on Senator, EZLN's Links to Drug Cartel

PA1710010294 Monterrey EL NORTE (Foreign Edition) in Spanish 13 Oct 94 p 9A

[Report by Miguel Dominguez]

[FBIS Translated Text] Reinosa—Oscar Lopez Olivares, alias El Profe, has said that in Tamaulipas State, not only Senator Enrique Cardenas Gonzalez, but other prominent politicians are allies of the Matamoros Cartel.

"There is only one reason why Enrique Cardenas Gonzalez is being linked to them (the Matamoros Cartel). The reason is that the FBI informed him that they were planning an attack against him and instead of doing what a man must do, he joined them," Lopez Olivares said.

"The relationship between Cardenas Gonzalez and Juan (Garcia Abrego) [Matamoros Cartel leader] is very obvious. They have many friends and relatives in common. The links between them are very close."

Lopez Olivares, who in the 1980's worked for Garcia Abrego laundering dollars through an exchange house in Vallehermoso, now works as an informer under FBI protection.

Talking about the period during which Cardenas Gonzalez was Tamaulipas governor, he described those six years as a period when incredible and indescribable things occurred.

He said current Governor Manuel Cavazos Lerma also has links with politicians to whom Garcia Abrego owes many favors. Among them, he mentioned Benjamin Lopez Aguirre.

He also said the Chiapas guerrillas are financed by drug traffickers, mainly by the Matamoros Cartel, which President-elect Ernesto Zedillo will have to fight to prevent it from killing him or his cabinet members.

"The Chiapas guerrillas are financed 100 percent by drug trafficking. This is the case to such an extent that the very same day that Zedillo said he will fight drug trafficking and local political bosses, Subcommander Marcos announced he was breaking off the dialogue with the government," he stated.

"In the United States, Subcommander Marcos is known as the subcommander of the drug traffickers, because he is not the brain," Lopez Olivares said.

He said the Matamoros Cartel assassinated Luis Donaldo Colosio because the day that it tried, through Humberto Garcia Abrego, to approach him to negotiate, the late presidential candidate ordered him out before journalists learned about the meeting. In addition, his campaign speeches were focused on fighting drug trafficking.

"Now that the Matamoros Cartel has been weakened and that Juan Garcia Abrego only has about $1 billion left, the war is for real; the Zapatist Army's breaking off of the dialogue was just a warning, the beginning; if Humberto Garcia Abrego had been locked up in Monterrey, the Zapatists would now be acting up in the Sierra."

PRI Secretary General Supports End to 'Unfounded' Accusations

PA1410220394 Mexico City XEW Television Network in Spanish 0430 GMT 14 Oct 94

[From the "24 Hours" newscast]

[FBIS Translated Text] Maria De Los Angeles Moreno, president of the Chamber of Deputies and PRI [Institutional Revolutionary Party] secretary general, strongly demanded a clarification of the circumstances leading to the murder of Mr. Jose Francisco Ruiz Massieu.

The Chamber of Deputies president also called for the full weight of the law to be used against the guilty parties and for a stop to the endless unfounded accusations.

During a meeting at the San Lazaro Legislative Palace, where the minutes of the Second Legislative Women's Caucus were made public, Maria de los Angeles Moreno referred to the investigation into the murder of Mr. Jose Francisco Ruiz Massieu.

[Begin Moreno recording] Violence is condemnable from every point of view. It only leads to further destruction and chaos. At this time, it is critical for all of us to contribute to finding the truth and for the full weight of the law to be used in punishing those responsible. In addition, we also call for respect for the numerous colleagues who have been unjustly and irresponsibly implicated. I say unjustly and irresponsibly because nothing has been proven yet. Therefore, we demand the strongest penalties, the full weight of the law, and also the truth. I am convinced that as Mexicans, we are all united in this purpose. [end recording]

The legislative women's meeting was attended not only by PRI representatives, but also by women deputies representing all the political parties.

Senator Responds to Charges of Link to Ruiz 'Murder'

PA1610152794 Mexico City XEW Television Network in Spanish 0430 GMT 14 Oct 94

[From the "24 Hours" newscast—passages within quotation marks recorded]

[FBIS Translated Text] Tamaulipas Senator Enrique Cardenas reappeared and gave a news conference at the Senate today. He repeated several times he is not going to flee or request a leave of absence:

[Cardenas] "I am telling you I have nothing to fear, thank God. I am a clean, honest person."

At ease and in a joking mood, he said he refused to answer questions and got upset at the Chamber of Deputies on 12 October, because he did not know why he was being pointed again out as an accomplice in the murder of Jose Francisco Ruiz Massieu:

[Cardenas] "Suddenly and impertinently they are telling me: You are guilty. Well, we are not talking about candy; we are talking about something that is serious."

Cardenas said he is not the chief of any political group:

[Cardenas] "You can be certain I do not have any political group. I am a party man."

He said his position regarding the charges will not change:

[Cardenas] "Undoubtedly, I will cooperate again. I have said I will go to the Attorney General's Office as many times as is deemed necessary. I am the one who is most interested in clarifying my situation entirely."

He said he does not have any lawyers but is planning to talk about his situation with people who know of his problem, because there are no grounds to involve him in this case. Cardenas added he has not made any negative remarks about Deputy Attorney General Mario Ruiz Massieu. He understands the official and does not reproach him for investigating:

[Cardenas] "His face revealed his anguish and distress when I talked to him. I understand his situation entirely and believe he is in his right to carry out an in-depth investigation of the event so that he and all his family can be appeased."

Cardenas Gonzalez apologized for the reporters who were injured at the Chamber of Deputies on 12 October. He added that someone had stolen his wallet during the confusion, and he hoped it would be returned.

PRI Federal District Head on Drug Trafficking, Ruiz Case

PA1610152994 Mexico City XEW Television Network in Spanish 0430 GMT 15 Oct 94

[From the "24 Hours" newscast—passages within quotation marks recorded]

[FBIS Translated Text] Fernando Lerdo de Tejada, the PRI [Institutional Revolutionary Party] president in the Federal District, has said drug trafficking has not infiltrated the party:

[Lerdo de Tejada] "We do not believe drug trafficking is in the party."

He has denied political motivations in the party were behind the murder of Jose Francisco Ruiz Massieu and demanded the investigations get to the bottom of things:

[Lerdo de Tejada] "The government and the party are not interested or have no intention of covering up, denying, or hiding anything."

He has said Deputy Manuel Munoz Rocha's involvement in this crime is shameful to the PRI. Tejada was asked during a news conference whether Ruiz Massieu's death was an attempt to gain political positions by a set group:

[Lerdo de Tejada] "I would say first they would have to finish off many more than half the PRI members before that group of people can gain anything."

The PRI official has said that reforms within the PRI are not going to be reversed and that it would be a serious mistake to make only cosmetic changes. He has denied there is infighting between young and old members in the party.

Attorney General's Office on Manslaughter Charges in PRI Leader's Murder

PA1510174394 Mexico City XEW Television Network in Spanish 0430 GMT 15 Oct 94

[From the "24 Hours" newscast]

[FBIS Translated Text] The Office of the Deputy Attorney General has issued a lengthy press bulletin on the deposition by Marco Rodriguez Gonzalez on Mr. Ruiz Massieu's murder.

The press bulletin points out that Marco Antonio Rodriguez Gonzalez overheard his brother Fernando mention that Senator Enrique Cardenas Gonzalez is part of the group of politicians involved with Senator Manuel Munoz Rocha.

According to the bulletin, Hugo Andres Arujo, leader of the CNC [National Peasants Confederation] is also on the list of people Deputy Manuel Munoz Rocha was planning to assassinate.

The bulletin also explains that during the month of January, Fernando Rodriguez Gonzalez urged his brother Marco Antonio to hire several gunmen to assassinate a high-ranking politician and gave him 50,000 new pesos. One month later he identified the politician to be murdered as Jose Francisco Ruiz Massieu, because the latter was blocking Deputy Manuel Munoz Rocha's political plans. Fernando Rodriguez Gonzalez even said that he was charging nearly 3 million new pesos for the murder.

The bulletin points out that Fernando Rodriguez Gonzalez stipulated to his brother Marco Antonio that the murder would take place during Holy Week, but it did not work out that way. The murder was rescheduled for June. At any rate, the assassination could not take place in June because Marco Antonio and Fernando Rodriguez Gonzalez's accomplice, a woman named Claudia Santos, disappeared with 300,000 new pesos earmarked for recruiting more gunmen.

It was at this point that a violent argument broke out between the two brothers, and Marco Antonio opted to withdraw. However, the Attorney General's Office [PGR] believes Marco Antonio Rodriguez continued cooperating with the attack to the extent that he provided information to Fernando Rodriguez Gonzalez that the vehicles used by Ruiz Massieu were not armor-plated, which allowed the assassination to take place.

As result of this, the PGR has decided to file formal manslaughter charges against Marco Antonio Rodriguez Gonzalez.

Chamber Leaders Cautions Attorney General's Office on Deputies' Immunity

PA1510174494 Mexico City XEW Television Network in Spanish 0430 GMT 15 Oct 94

[From the "24 Hours" newscast]

[FBIS Translated Text] A few days ago the "24 Hours" newscast reported that Miguel Gonzalez Avelar, president of the Chamber of Deputies' Board of Directors, had sent an estranging letter to Attorney General Humberto Benitez Trevino.

In the letter, Gonzalez Avelar demands respect for the inviolability of the Chamber of Deputies. The letter, which as we already said is addressed to the attorney general, reads:

Some deputies have recently expressed their concern about the manner in which the Attorney General's Office [PGR] and Federal Judicial Police [PJF] agents assigned to investigate the unfortunate assassination of Mr. Jose Francisco Ruiz Massieu are contacting this chamber to obtain information that will allow them to follow through with their investigations.

With respect to this issue, I would like to call your attention to the content of the Paragraph 2 of Article 61 of the Constitution that bestows on the president of each chamber the obligation to ensure respect for the constitutional immunity of each of its members, as well as each chamber's inviolability.

The Chamber of Deputies is extremely interested in clarifying the disgraceful events that have prompted the abovementioned investigations. The Chamber of Deputies is also more than willing, as it has already proven, to provide any information that may lead to the positive identification and punishment of those responsible for such an indescribable attack.

At the same time, Articles 13 and 14 of the Congressional Charter regulate conditions under which the authorities can have access to the Chamber of Deputies. We are all obliged to observe these regulations.

By virtue of the aforementioned, I take the opportunity to inform you that the Chamber of Deputies' senior officers are more than willing to channel all information on the case that may be required to conduct the appropriate investigation.

Signed: Deputy Miguel Gonzalez Alvelar

PGR Report Notes Drug Infiltration

PA1610205994 Monterrey EL NORTE (Foreign Edition) in Spanish 14 Oct 4A

[Report by Gerardo Roman]

[FBIS Translated Text] Mexico—According to the PGR [Attorney General's Office], drug trafficking infiltrates any social space. It even proposes a cultural model that applauds violence and impunity and violates such social institutions as the family and the state. The PGR has made the affirmation in a document evaluating the fight against drugs during the past six years.

The study entitled "Evaluation and Follow Up of the National Drug Control Program" indicates the results of operations in this area were less successful toward the end of the six-year presidential term.

The PGR warns that crime related to the production, trafficking, and sales of drugs has assumed proportions to the extent that it is beginning to look like a power parallel to the state of Law.

The study states that the capability drug trafficking has to penetrate society's power structures as well as private institutions demonstrates the risk further development of the activity poses to national security.

Regarding cocaine trafficking, authorities took several losses over the six years of the study.

The authorities managed to seize 39,523 kg in 1989. That figure was 11,000 kg in 1991. Seizures failed to surpass 1990's figure of 46,000 kg last year.

Cocaine seizures barely reached 9,000 in the first half of 1994 according to official information.

Salinas Urges Acceleration of Industrial Integration

PA1510154394 Mexico City XEW Television Network in Spanish 0430 GMT 14 Oct 94

[From the "24 Hours" newscast]

[FBIS Translated Text] President Carlos Salinas de Gortari has opened the First National Conference on Integration Industry in Mexico City.

Integration is a mechanism for association utilized by micro, small and medium-sized companies to jointly meet international challenges for competition through greater productivity, shared access to information, and technology, but with each company retaining its independence.

[Begin Salinas recording] That is precisely what we learned from the experiences of several European countries, where thousands of small companies decided to integrate and now dominate entire areas of international trade. This is exactly what we want our entrepreneurs to do. [end recording]

President Salinas warned small firms that they will be at a competitive disadvantage if they do not integrate. He also pointed out that by associating, entrepreneurs will help create a more modern and efficient economy, as well better promotion for Mexican products on international markets.

[Begin Salinas recording] There are now approximately 110 integration firms that comprise more than 5,000 businessmen. As a group, these firms represent investment totalling nearly 110 million new pesos. [end recording]

During the conference at the National Medical Center, Commerce Secretary Jaime Serra and Jorge Mario Guardarrama Romero, president of the National Integration Industries Council, signed the charter for the Council's new constitution.

Business Sectors Propose Creation of Social Pact

PA1310215794 Mexico City EL FINANCIERO in Spanish 8 Oct 94 p 11

[FBIS Translated Text] Monterrey, Nuevo Leon, 7 Oct—The country's business sectors proposed to President Carlos Salinas today the creation of a social pact comprised of six points, including the need to restore public security and to stop political crimes in the country.

Antonio Sanchez Diaz de Rivera, Mexican Employers Confederation [Coparmex] president, said in view of this year's violent actions, which "have shaken us up," the lack of public security, which has affected all companies, mainly small companies, and the "longstanding" social backwardness, we need to think about taking short-term measures.

He said this new dialogue for dignity and justice must address the following issues: peacekeeping; renewal of the judicial branch; full public security; the continuation of the democratization of the country; productive job creation; and the participation of society and government in social development.

President Salinas said before 200 businessmen meeting in this city that significant agreements in the country's democratic life have been promoted and that Mexico has responded "by unmistakably following a path of peace and legality." The 1994 federal elections constitute irrefutable proof of this determination and "univocally responded to the many violent actions that occurred this year."

As President Salinas closed the 65th Coparmex Regular Assembly, he admitted that although we have laid new foundations for holding talks, having tolerance and democratic participation and enforcing the law, there is something left to do in the political arena, particularly in the fields of justice and security. He added that all this "contributes to seeing the future with hope. [no closing quotation mark as published] The entire country is stressing its resolve to have law, democracy, freedom, and security, and the government will courageously and determinedly double its assigned tasks until the last day of this administration, Salinas said.

After remarking the elections and the recent renewal of the pact "gave us new courage," he said in light of last week's "painful and aberrant events," the change Mexicans want has not stopped, nor has their desire to move on waned. This is why "we are determined to carry on based on the strength of our institutions, united in pluralism," he said.

At the businessmen's meeting, which was characterized by an impressive security display that included electronic sensors, the strict search of the attendees' personal belongings, and tight surveillance of the area near the site of the meeting, President Salinas assured there is a strong economic recovery accompanied by stable prices.

He added there is a generalized dynamism in the manufacturing field, which grew by 3.5 percent in July. Salinas said this trend should reach all industries, adding most of the recovery of the previous trimester was accounted for by the electricity and construction sectors.

The leader of the country's employers union said that although certain economic activities have grown since the second trimester of this year, this growth is not enough, because this trend should reach other sectors and as many companies as possible.

Sanchez Diaz de Rivera said the new social pact that was proposed would in no way replace the Pact for Wellbeing, Stability, and Growth but would reinforce and support this economic agreement.

He said we cannot and should not embrace schemes of the past, and thus, we, the businessmen, "reject any retreats and support dialogue and consensus as a means to solving Mexico's problems," because only in this way will we achieve genuine solidarity, without which there would be no productivity and competitiveness.

In this new phase of realistic perspectives facing the country, the Mexico of myths and utopias must die; structural changes are underway, and solid bases for overall and lasting development were established, he added.

He said Mexico's enemies will not be able to stop progress and added that after achieving economic stability, the country must move on to the following phases: the creation of wealth, and its distribution through productive work.

During the morning inaugural session, the Coparmex leader talked about the zero growth registered in 1993 and the violent developments of that year, events which created a critical situation for certain companies. Thus, he called for short-term measures to help them overcome these problems.

The Coparmex president admitted we are facing a crisis, "but there are encouraging perspectives for the country." It is imperative to achieve economic growth, to deepen our political development, and to participate more actively in social politics, he added.

Drawbacks of Monopolies Outlined

95CA0001A Mexico City REFORMA in Spanish 25 Sep 94 p 13A

[Commentary by Luis Rubio, political and economic reform advocate and director of the Center of Research for Development: "Monopolies and Politics"]

[FBIS Translated Text] Everyone knows that monopolistic practices are bad for the country's political and economic development. The problem is how to do away with them so as to further economic recovery and create a level playing field in politics and the competition for power. Three cases illustrate the dilemma in which we find ourselves: television, telephones, and Pemex. Each of these activities contradicts the official notion of competition and, more importantly, represents an impediment and a burden that are thwarting the country's progress.

Monopolistic practices are generally understood to mean explicit or implicit actions or decisions that hinder competition. Under the Federal Law of Economic Competition, such practices include the arbitrary setting of prices; contracts or agreements between economic agents designed to fix or manipulate the price of goods or services, to restrict the availability of products, and to make sales subject to the use of services or products of a third party, and in general, "any act that improperly harms or hinders the process of unfettered competition in the production, processing, distribution, and marketing of goods or services." If we extend this definition to the real world of Mexico's politics and economy, then monopolistic practices and the abuse of political power that confers monopoly power are the order of the day.

Monopolistic practices are a serious problem for the country for three reasons. First, because the companies or entities whose characteristics or size enables them to engage in such practices, as is unquestionably the case with Televisa, Telmex [Mexican Telephone], and Pemex, prevent the economy from developing normally, that is to say, from achieving an efficient allocation of resources and steady gains in productivity, which are essential conditions for growth in an open economy. The existence of companies with monopolistic traits in three sectors vital to the country's development is preventing new companies, new technologies, new exports, and new jobs from being created, for the simple reason that no one can individually take on these monsters.

The second reason why monopolies are a serious problem is economic. When there are monopolies, society winds up paying extremely high prices for the goods and services that these monopolies produce, causing some companies to grow very rich at the expense of Mexicans in general (as is the case with Telmex), giving a few bureaucrats unacceptable influence over the country's future and, along the way, enabling them to become wealthy themselves (as is the case with Pemex), or allowing certain companies to become extremely successful by manipulating public opinion (as is the case with Televisa).

The third reason why monopolies are a problem is political. All Mexicans lose some degree of our rights as citizens and an opportunity to raise our living standards to the extent that there exist huge, extraordinarily powerful entities that in practice no one or nothing can limit, that can impose their conditions on society and other companies, that can fix prices and prevent other activities or firms from developing, and that can manipulate public decision-making and impose conditions on the government and society. In other words, as long as there are monopolies, whether public or private, and monopolistic practices, Mexico cannot be a free, democratic, and economically vibrant society.

As if all this were not enough, we are at a critical juncture for the country's development at which companies are finding more obstacles than incentives and facilities in their bid to adapt to the enormous changes that have recently taken place, to grow, to produce better, to sell more, to compete on world markets, etc. At a time when a solid, sustained economic recovery is more urgent than ever, we find monopolies that seem immovable and that detract from the economy's ability to compete and, therefore, to recover. Even more seriously, in some of the sectors in which Mexican companies have great competitive potential, such as petrochemicals and their byproducts, we find that a monopoly is making them altogether unattractive to investors and, therefore, less likely to spearhead rapid growth. Several of our beloved monopolies are much less productive than their international counterparts and, consequently, extraordinarily detrimental to economic development.

Over and above all this, we find that at least two of the three monopolies that I have mentioned have decided to dabble in politics to preserve their advantages, once again at the expense of the citizenry and economic development. The case of Televisa is not new. For a long time it has used its power to prevent its competitors from prospering, and it has resorted to all sorts of practices to corner advertisers and performers. It is even theoretically possible that it used the relative opening up of television to opposition parties during the recent election campaign as a way to expand its featherbedding. In other words, it is not impossible that the government too is in some way held hostage by this company. There is no other way to explain the striking number of concessions that it has been granted without any justification or competition whatsoever, as are supposedly required by law and by the rationale of an economy that has transparency as a central operating principle.

The case of Telmex is not much different, as it took advantage of the uncertainty in the weeks leading up to the election to prevent publication of the rules that are supposed to govern competition in long distance, as set forth in the license that privatized the company a few years ago. Using the most primitive of political pressure tactics, the company got its union to threaten political stability at the most precarious juncture of the electoral process. The leader of the telephone workers union thus indicated that "we must prevent cut-throat competition" (EL FINANCIERO, 3 August), which is precisely what would benefit consumers, all the more so because last year Telmex was the most profitable phone company in the world, in absolute and relative terms, ahead of such giants as British Telecom, France Telecom, all of the U.S. phone companies, and Nippon Telephone, among others (FORTUNE, 22 August). In other words, Telmex is using its enormous power not to provide good service but to prevent competition and boost its profits beyond those of any of the phone companies in countries that start with the principle that service comes first.

Competition is our only way out, in the economy and in politics. Anything that sustains the monopolies is going to conspire against economic recovery and political stability. Above all, it conspires against good government because it makes it impossible.

El Salvador

FMLN Leaders Say Party Will Not Be Dissolved

PA1410194394 San Salvador EL DIARIO DE HOY in Spanish 11 Oct 94 p 5

[FBIS Translated Excerpt] The Farabundo Marti National Liberation Front (FMLN) will not be dissolved despite the proposal made on 9 October by the People's Revitalizing Expression (ERP), leaders of the other communist factions of the leftist party have reported.

This is how the FMLN's Marxist organizations responded to the decision made by the ERP, which defines itself as a social democratic party, to start breaking up the party.

ERP leader Joaquin Villalobos is advocating the FMLN dissolution through an "agreed on divorce," arguing the party has already fulfilled its historic role. According to Villalobos, "there is a viable social democratic left and a disappearing, unviable, Communist-Marxist-Leninist left."

"We will not dissolve the FMLN just because it is being proposed. The ERP must follow the party statutes and make this decision at a regular general assembly," Manuel Melgar, leader of the Revolutionary Party of Central American Workers (PRTC), has said.

Meanwhile, Marta Valladares, who is also a PRTC leader and a deputy at the Legislative Assembly, has said "we cannot dissolve the FMLN, much less lend ourselves to play the political game of the ERP detractors who want to make us look like a totalitarian and nonproductive force."

According to Valladares, the ERP is taking this position, because it refuses to subject itself to the decisions made by the majority at the FMLN Regular Convention, slated for December 1994. He has said "the ERP is drifting away from the party and presenting itself as a moderate left, but it is conducting a campaign of name calling and slander, which is unethical."

Orlando Quintero, Farabundo Marti Popular Liberation Forces (FPL) leader, has said: "If the ERP wants to withdraw from the FMLN, let it do so, but any decision on the FMLN dissolution must be legally made and consulted with the party's rank and file."

He has also said the ERP "is a minority" within the FMLN and will not be able to gather three-fourths of the votes needed to dissolve it.

For the FPL politician, this reaction is typical of very systematic people who lack support within the party. "We will not allow the decision made by a very small minority destroy our common foundation; it is undemocratic, illegal, and simply unviable," he has concluded.

Eduardo Sancho, National Resistance (RN) leader, has supported the ERP decision, but Eugenio Chicas, deputy FMLN coordinator and one of the RN leaders, has said the party's rank and file disagrees with Sancho's position. [passage omitted]

Change of Command at the Democratic Convergence [CD]

Meanwhile, CD spokesmen have reported the leftist CD party has elected a new secretary general, former Deputy Juan Jose Martell, who garnered 134 of the 154 votes cast by the delegates who participated in the CD National Convention on 8 and 9 October in Sonsonate Department, western El Salvador. Martell will replace former presidential candidate Ruben Zamora, who had been secretary general since the CD was founded in 1987.

Central Bank Head Denies Plans for Economic Change

PA1510180694 San Salvador Radio Cadena YSU in Spanish 1800 GMT 14 Oct 94

[Report by Balmore Parada; from the "YSU Radio News" newscast]

[FBIS Translated Text] Jorge Orellana Milla, president of the Central Reserve Bank of El Salvador [BCR], has clarified that the government does not intend to modify the country's banking system or devaluate its currency, as several sources have claimed. It is not true that currency devaluation is being considered because the exchange rate is set according to the supply and demand of foreign exchange, and the country would not gain anything by devaluing its currency, the official stated. The BCR, as the responsible body for the country's monetary and exchange policies, nevertheless permanently studies various exchange market options.

[Begin Orellana recording] I want to clearly stress that at no time have we thought of devaluing the currency. First, there is no provision for currency devaluations in our floating system; second, there is an abundance of dollars; and third, there is no advantage in this for the country.

I also want to say that the currency board topic is simply a technical analysis done by the BCR as part of the study of the various exchange policies for which the BCR or the country may opt. Once this study is concluded it will be presented to the president, the economic committee, and other sectors of the population.

We are pleased when economic topics are discussed by the media, but we must avoid speculation. The Salvadoran economy is steady. We have a high growth rate of approximately 6 percent; inflation is under control—our current inflation rate is between 9 to 10 percent; and all financial and fiscal goals are adequate. Anyway, this is something recognized by local and international economic analysts and by international organizations. Therefore, under these circumstances, there is no justification for dramatic adjustment of the national economy, much less can speculation be justified, and even less should there be speculation about the exchange rate. [end recording]

The BCR's president wants to avoid speculation about the country's economic options. On Thursday, there was word about possible measures the government could apply, such as an alleged fixed exchange rate of 10 colones to the dollar, the elimination of tariffs that would allow merchandise to freely enter the country, and a hike in the VAT [value-added tax] to between 14 or 15 percent.

Central Bank Clarifies Rumors

PA1510121194 San Salvador Radio Cadena YSU in Spanish 1800 GMT 14 Oct 94

[Report by Balmore Parada; from the "YSU Radio News" newscast]

[FBIS Translated Text] Roberto Orellana, president of the Central Reserve Bank of El Salvador [BCR] said that the government has no intention of modifying the country's banking system or devaluating the colon, as several sources has said. It is not true we are considering a devaluation of the national currency, as the exchange rate is established by demand and supply. The official argued that the country gains nothing by devaluating. The BCR, which is responsible for monetary and exchange rate policies, is constantly studying the many administrative options and currency exchange markets.

[Begin Orellana recording] First of all, I wish to be firm and clear when I state that we are not considering any degree of currency devaluation: First, because the floating exchange rate system we have does not allow for that; second, because there is an abundant supply of dollars; and third, because there is no benefit from an increase in the exchange rate.

In the second place, the currency board system is carrying out a technical assessment of the various options of currency exchange policies available to the BCR and the country. Once the report is complete we will present it to the president, the economic committee and the people in general.

We are glad to see the economy and the economic issues discussed in the media, but we must be careful not to allow this to be a reason for speculation. The Salvadoran economy is strong. We have a high growth rate of about 6 percent; inflation is being controlled at approximately 9 or 10 percent at this time; and our financial goals and fiscal control are adequate. Local and foreign economic experts and international organizations recognize this. We therefore believe there is no justification for any kind of dramatic economic adjustments in the national economy, or even speculation—much less speculation with the currency exchange rate. [end recording]

BCR President Orellana asked people not to speculate about the economic options the country has. There were reports on Thursday about an alleged fixed exchange rate of 10 colones to the dollar; the lifting of import duties allowing the free entry of merchandise; and increasing the VAT to 14 or 15 percent, as possible measures the government could implement.

Guatemala

URNG Agrees To Continue Peace Negotiations

PA1510174594 Guatemala City PRENSA LIBRE in Spanish 14 Oct 94 p 92

[Declaration issued by the URNG General Command on 13 October; place not given; paid advertisement—passages in boldface as published]

[FBIS Translated Text] Since the signing of the General Agreement on Human Rights, government and Army sectors have designed a plan whose implementation has principally been expressed as follows:

1. Deliberate noncompliance with the General Agreement and an increase in repression and human rights violations.
2. A campaign of slander against the URNG to discredit us as legitimate interlocutors at the negotiating table.
3. Irresponsible and biased maneuvers and provocations aimed at pushing the peace process to failure and at shutting off all chance for a political solution to the armed conflict and democratization in the country.

The government's Peace Commission and the president himself must understand that if the negotiations have lost credibility among the people and the international community it is because of the above.

Despite this, the URNG [Guatemalan National Revolutionary Unity] General Command, with the clear objective of making these plans fail,

DECLARES

1. That we have agreed and accepted to continue negotiations with the government as of 20 October and to begin discussing the issue of the **IDENTITY AND RIGHTS OF INDIGENOUS PEOPLES.**
2. That we will attend under protest this first round of talks to be held in Mexico because the government side thus far has given no satisfactory evidence of compliance with the General Agreement on Human Rights.
3. That noncompliance with the General Agreement on Human Rights is evidenced by the failure to keep commitments made before Moderator Dr. Jean Arnault, to fulfill promises made by the Peace Commission at the end of August, or to respect the agreement reached on 28 September during the "Petit Committee" meeting in Mexico City.
4. That the sole and real purpose of reiterated and deliberate noncompliance and this lack of serious observance on the government's part is designed to make the negotiations fail and to induce the URNG into breaking

them off, in order to discredit us nationally and internationally and to shut national doors for democratic expression, an effort that has been fruitless.

5. That through our decision to begin discussing the issue of **IDENTITY AND RIGHTS OF INDIGENOUS PEOPLES** we have shattered attempts by obscurantist sectors opposed to the discussion of important issues on the general agenda, sectors that are exerting pressure so that only the points that deal with our disarmament and demobilization are discussed.

6. That we acknowledge the importance of the steps the United Nations is taking to install in the country the international mission **Minugua**, [UN Mission for Guatemala], a mechanism accepted by the two sides that will be in charge of verifying compliance with the General Agreement on Human Rights and of strengthening organizations and institutions that work in favor of respect for human rights.

7. That we will remain on constant alert and reserve for ourselves the right to carry out and to promote whatever actions and initiatives may be necessary to secure government and Army compliance with whatever is agreed on during the negotiations.

Therefore, we address the international community to

DENOUNCE

The vulnerable situation in which the Guatemalan people find themselves as a result of the most dangerous and delicate moment the country is enduring, when it is foreseeable, considering that the tendency contrary to finding a political solution to the armed conflict has been gaining ground, that the government and the Army will harden their position. As for our people, we

URGE

Them to demand, through all available means, compliance with the General Agreement on Human Rights and immediate international verification.

It is correct to demand compliance with something that needs immediate attention. Otherwise, compliance with the rest of the agreements of the negotiations process would be called into questionable.

URNG GENERAL COMMAND
13 October 1994 Guatemalan National Revolutionary Unity

State Employees Kicking Off National Labor Strike

PA1510160194 Guatemala City LA REPUBLICA in Spanish 14 Oct 94 p 2

[Report by Ramon Hernandez]

[FBIS Translated Text] State employees will lead off a national strike today to demand a "fair" salary policy, following initial protests yesterday that could lead to serious confrontations with the executive branch, which has said it will not give in to the demands.

It will be a joint strike with the labor unions that comprise the so-called "Common Front," which includes representatives of teachers, health workers, road workers, and so on. They will also be seeking the support of workers from essential enterprises like the power, telecommunications, and ports sectors.

The strike is being organized by the National Federation of State Workers Unions (Fenasteg), which yesterday conducted a series of "demonstrations" in different parts of the capital, which included blocking streets and avenues, as was the case in front of the National Police Directorate as well as at the Civic Center and on highways to the Atlantic and the Pacific.

The demonstrators burned tires at the Civic Center in both lanes, which created a traffic jam that lasted more than 30 minutes, until the National Police arrived to restore order.

The union leader from the Salus company, Dick Flecher, speaking in front the National Police Directorate, said that with these actions they are showing President Ramiro De Leon Carpio "that we have drawing power." He added that the actions would continue today.

Edgar Batres, a member of Fenestag, said yesterday's actions were described as "successful." That is why the protests will continue today in different parts of the country with the initiation of the strike because it is a coordinated action in which Fenestag, Labor and Popular Action Union, and the Workers Unitary Organization are participating.

Meanwhile, the National Federation of Public Employees Unions (Fenasep), speaking through its Secretary General Felix Hernandez, noted that it will not support today's strike. But in view of the government's policy of "mass dismissals," the executive committee of the organization has decided to hold a general assembly because "we will not rule out de facto measures."

Edgar Batres said that even though de facto measures have been initiated, "we are willing to sit down and talk with President Ramiro De Leon Carpio at such a time as he deems appropriate because we are calling for a dialogue."

In addition, municipal workers from Quetzaltenango, Totonicapan, Huehuetenango, Mazatenango, Quiche, San Marcos, and Solola will begin strikes to demand that the executive branch not suspend subsidies in next year's budget.

Honduras

Defense Minister: 100 Soldiers Ready for Haiti Mission

PA1410184694 San Pedro Sula TIEMPO in Spanish 14 Oct 94 p 3

[FBIS Translated Text] Tegucigalpa—Defense Minister General Reynaldo Andino Flores has said the Honduran

Armed Forces have 100 soldiers ready to be sent on missions related to the restoration of peace in Haiti. "We are ready whenever the president (Carlos Roberto Reina) gives the orders. They are trained to perform police and military missions," he said.

Reina Views Economic Measures, Ecological Summit

PA1510035094 Tegucigalpa EL PERIODICO DE HONDURAS in Spanish 14 Oct 94 p 5

[FBIS Translated Text] President Carlos Roberto Reina said upon returning from Managua, Nicaragua, where he and his Central American counterparts attended the Ecological Summit, that economic measures that "benefit the people" are being implemented with the total agreement of the ruling party.

At a news conference at Toncontin Airport in Tegucigalpa, President Reina said he was duly informed that the measures were approved and "did not cause a national commotion," as his adversaries had predicted.

Total Agreement With Party

Reina told reporters that the measures were discussed in various phases during meetings with the Economic Cabinet, the Liberal Party [PLH] Central Executive Council, the National Congress president and Board of Directors, and PLH congressmen. He added that those consecutive actions led to "the ruling party's total agreement."

Later, however, he contradicted his previous statements and said that the measures were the result of an agreement with all sectors of Honduran society, "and finally with the political sector."

Who Gets the Credit?

President Reina recalled that in the past those measures were rejected. He then asked: Who gets the credit? He answered: The PLH, "which uses dialogue as an instrument for making decisions." He implicitly admitted using former President Callejas' method when consulting society: "seeking consensus."

Reina admitted that the economic plan consists almost entirely of fiscal measures that will be transferred to the people "in a clean process" in which there will be no corruption, because we are serious about the moral revolution."

With regard to the congressional measure banning trips by government officials for two years, Reina said he agrees with the decision. He noted that embassies will have to represent the state, except for certain trips when "the officials who are invited" must attend a specific event.

"I Have a Candidate for Customs Director"

Asked about domestic issues such as the announced resignation of Customs Director Juan Rene Rivera, Reina said he has not resigned, but if he does, "I have my candidate."

Reina added that his candidate would give a new image to the institution, which "is not easy to manage due to the current situation of corruption."

The Managua Summit

Summarizing his participation in the Central American Ecological Summit in Managua, Nicaragua, Reina said the integration process is consonant with this moment in history. He said that during the summit, in addition to discussing ways to protect the environment and attaining sustained development, the presidents attended the inauguration of the main offices of the Central American Court of Justice, "which is a fundamental step in the integration process."

He said he also met with representatives of the Inter-American Development Bank (IDB), who "offered Central America special treatment," and with U.S. Vice President Al Gore, who promised that in January he will present to the U.S. Congress a proposal to favor U.S. imports of textiles and other products from Central America.

Congress Approves Package of Economic Measures

PA1410192194 Mexico City NOTIMEX in Spanish 1828 GMT 12 Oct 94

[FBIS Translated Text] Tegucigalpa, 12 Oct (NOTIMEX)—The Honduran Congress approved today, after making "in-depth" reforms, a package of economic measures submitted by the government of President Carlos Roberto Reina, congressional sources announced.

The Honduran Congress approved the bill, which Reina's government submitted one month ago, with 71 votes in favor by the ruling Liberal Party and 57 votes against by the political opposition.

The purpose of the measure is to reduce the fiscal deficit from 11 to 7 percent, to reduce inflation, which reached 21 percent during the first nine months of the year, and to halt the devaluation of the lempira, the national currency.

As for the currency, the bill allows forces of supply and demand to dictate the lempira exchange rate by eliminating the Customs Compensation Factor, a mechanism used to determine the exchange rate with regard to the U.S. dollar.

The government proposal creates a 1-percent tax on the profits earned by companies that make more than $100,000 and creates a 10-percent tax on interests generated by operations with stocks and bonds, savings deposits, and other stock exchange transactions.

The bill also establishes a 10-percent tax on the sale of cigarettes, beer, liquor, and a series of luxury articles, among other taxes.

The deputies established as a compensatory measure, however, the payment of a 14-month bonus at midyear for all workers and the freezing of family basket prices until next December.

The bill also reduces taxes paid by automobile owners when registering their vehicles and eliminated gasoline price hikes. The bill also calls for a reduction in the number of legislators from 128 to 80, starting with the next administration (1998).

The law will go into effect once it is published in the official newspaper, LA GACETA.

The liberal deputies said the purpose of the bill is to get the Honduran state to implement austerity measures, and that reason is why they have eliminated permits for the import of luxury vehicles for officials and have banned trips abroad that do not generate benefits to the country.

The 55 deputies from the opposition National Party left the sessions in protest, because one of the reforms stated public employees who were dismissed would be paid their benefits six months after leaving their posts.

Before this action, the opposition deputies had voted against the bill in general and did the same as each article of the bill was being discussed.

Following this incident, the Honduran Congress continued its session, because the Liberal Party has enough legislators to maintain the quorum and approve the bill.

Finally, it was agreed that benefits paid to workers would be paid according to what the labor laws indicate.

With the fiscal measures, the government expects to obtain nearly 500 million lempiras (approximately $70 million), but the amount was reduced by approximately $10 million, because certain taxes were eliminated, Finance Minister Juan Ferrera said.

With the approval of the bill, the government is now preparing to sign with the International Monetary Fund (IMF) a letter of intent that would allow the country to have access to resources of $90 million this year and to renegotiate its foreign debt of $3.6 billion.

Some analysts have warned the Honduran Government could find certain objections at the IMF due to the modifications the deputies made to the original draft.

Nicaragua

General Ortega Willing To Assist in Haiti

PA1510045594 Managua Sistema Nacional de Television Network in Spanish 0200 GMT 14 Oct 94

[Report by Nivia Ruiz; from the "National Newscast"]

[FBIS Translated Text] Haitian coupist General Raoul Cedras and his family are in Panama, thereby paving the way for the return to power of Haitian President Jean-Bertrand Aristide next Saturday.

Here in Managua, General Humberto Ortega said the Army is willing to cooperate in the second stage of pacification on the island. Gen. Ortega said the authorities are awaiting a formal request for aid from Aristide.

[Begin Ortega recording] If he asks us to help him organize something in Haiti, we will consider his request to see if we can help. As long as we do not know what he requires, we cannot predict what type of cooperation we will provide. Nevertheless, we are willing to assist President Aristide. [end recording]

Panama

Ministry Issues Communique on Asylum for Cedras

PA1410153794 Panama City LA ESTRELLA DE PANAMA in Spanish 14 Oct 94 p B-10

[Text of communique from the Panamanian Foreign Ministry issued in Panama City; date not given]

[FBIS Translated Text] The Panamanian Government decided today to receive Raoul Cedras and Philippe Biamby, as well as six members of their families. This decision is based on the government's previous offer to receive Cedras if it helped restore democracy in Haiti and precluded a military intervention that would entail the loss of human lives.

Again and again, the Haitian people have been frustrated in their hope of living under a democratic government. The Governors Island Agreement and UN Resolution 917 sum up the international community's concern over Haiti's fate. In compliance with the mandates stipulated by these instruments and heeding expressed requests by Haitian constitutional President Jean-Bertrand Aristide and the OAS secretary general, our country has expedited the fulfillment of the agreements that guarantee a rapid transition to democracy for the good of the Haitian people.

Asylum Denied to 14 Others

PA1610151594 Panama City LA PRENSA in Spanish 16 Oct 94 p B-6

[Text of communique by the Panamanian Foreign Ministry issued in Panama City on 14 October]

[FBIS Translated Text] The Panamanian Foreign Ministry announces to the public that in accordance with the commitments made with Haitian President Jean-Bertrand Aristide and according to the Governors Island Agreement, UN Resolution No. 940, and the OAS agreement, the national government has decided to grant asylum to only General Raoul Cedras, General Philippe Biamby, and the members of their respective families, a total of 14 people.

The Foreign Ministry also announces Panama has never agreed to grant asylum to members of the Haitian Army other than Gen. Raoul Cedras and Gen. Philippe Biamby.

[signed] Foreign Minister Gabriel Lewis Galindo
Panama City, 14 October 1994

Minister Confirms Expected Arrival of Cedras Associates

PA1410153894 Panama City LA PRENSA in Spanish 14 Oct 94 p A-1

[Report by Vilma E. Figueroa B. and Manuel Alvarez Cedeno]

[FBIS Translated Text] Government Minister Raul Montenegro has confirmed that 32 of General Raoul Cedras' associates, who will also be received as refugees, are expected in Panama "at any time." Haitian President Jean-Bertrand Aristide has asked Panamanian President Ernesto Perez Balladares to give asylum to Cedras and a number of Haitian officers. "For technical reasons, the group was not completed," the minister has said, adding he does not know the names of the military members about to arrive. The next group of Haitian military members could arrive in Panama on 18 October, although certain sources are saying the arrival could take place between today and 16 October.

Montenegro has said security measures have been coordinated at the Riande Continental Hotel in the outskirts of Panama City, where Cedras, his family, and Philippe Biamby are staying. It has been reported Cedras will stay in the hotel for 10 or 15 days, but his wife, Yannick, does not want to travel to either Contadora or Taboga and would rather stay ashore, preferably in Cerro Azul or Chiriqui.

The cost of the stay for Cedras and his relatives in Panama will not be the responsibility of the Panamanian Government. In addition, if Cedras desires to hire private security, he will have to pay for it out of his own pocket, Montenegro has said.

An official source has reported Cedras asked upon arrival whether Panamanian journalists were very aggressive. When he was told yes, he decided to limit his remarks.

Georges Barberrouse, the Haitian Embassy charge d'affaires, has said Cedras' receiving asylum is a step toward restoring democracy in Haiti. "I believe Panama has helped the Haitian people," he has said.

In addition, the U.S. Embassy in Panama has denied the Clinton administration pressured the government of Perez Balladares into receiving Cedras, as the opposition says. Oliver Garza, the U.S. Embassy charge d'affaires, has said: "We have not pressured Panama into receiving Haitian military members."

Foreign Minister Denies More Expected

PA1410224794 Panama City ACAN in Spanish 2056 GMT 14 Oct 94

[FBIS Translated Text] Panama City, 14 Oct (ACAN-EFE)—Panamanian Foreign Minister Gabriel Lewis Galindo today declared that his country will not give asylum to a second group of Haitian military officers whose arrival had been announced by another government official.

The minister said "there has obviously been some confusion," stating that Panama only agreed to accept Generals Raoul Cedras and Philippe Biamby and five of their relatives, who arrived in the country on Thursday.

Government and Justice Minister Raul Montenegro had said that a second group of about 30 Haitians was going to arrive in Panama on an unannounced date.

After hearing the foreign minister's statements and calling reporters to his office, however, Montenegro told them he had nothing to add to Lewis Galindo's statements.

Other government sources consulted by ACAN-EFE did not rule out the possibility that other Haitians, either supporters or relatives of Cedras, could arrive in Panama, but they would not come as asylum-seekers or on special planes provided by the United States, as the general traveled.

The Panamanian foreign minister today admitted that Panama agreed in principle to receive 14 Haitians, but following the arrival of Cedras, Biamby, and their relatives, he said he does not believe "there is another Haitian official demanding that right."

Regarding those who should have accompanied Cedras on his trip to Panama, Lewis Galindo explained that "it seems others chose a different destination."

The official confusion about the number and identity of people who arrived with Cedras prompted different government sources to report there were nine, 14, and even 16 asylum-seekers and that Biamby's mother was identified as the babysitter of the former de factor leader's children.

Lewis Galindo confirmed today that in addition to the two military officers, Panama has granted asylum to Cedras' wife (Yannik, 40), his three small children (Christian, 10, Raoul, 17, and Michelle, 14), and Biamby's mother (Micheline Valbert).

Both the generals and their party remain in a hotel close to Panama City's airport, where they have remained virtually locked inside their rooms.

Sources at the Riande Continental Hotel have told ACAN-EFE they did not make reservations for a specific period of time.

Cedras and his party, guarded by only a small number of security personnel, are occupying 11 hotel rooms and have asked that they be served their meals there.

Unofficial sources today reported that the general had apparently ended his seclusion and made a reserved outing to the city, but hotel employees said they did not see him.

Cedras, for whom the Panamanian Government does not want to incur any expense, has taken a "junior suite" connected with another two rooms which allows him to live comfortably while he finds a permanent residence.

The general, who for three years led a military regime charged with several crimes and offenses against human rights, said in the only declaration he made in Panama that he wants to live in this country with his family "in peace and tranquility."

The Panamanian foreign minister today reiterated that Cedras himself will have to select his place of residence in the Central American country in accordance with international conventions on political asylum.

Official sources and local media sources believe authorities will help him find a house on some island or Pacific shore area.

The foreign minister also explained that his government has not imposed any restriction on Cedras that would prevent him from making statements to the press.

In a clear reference to criticism from the opposition over the military leader's presence, Lewis Galindo asserted that Panama has not been the only country that has offered its support to resolve the Haitian crisis. "Cedras had several offers and asked for asylum in Panama." Lewis Galindo continued: "We granted him asylum following a tradition of our country."

The minister stressed, however, that this decision was made not to help the general but to help the Haitian people and constitutional President Jean-Bertrand Aristide, who formally requested the asylum, to consolidate democracy in the Caribbean nation.

Attorney General's Office Opens Case Against Cedras

PA1410155394 Panama City EL PANAMA AMERICA in Spanish 14 Oct 94 p 1

[Report by Juan Pritsiolas, Arnulfo Barroso, and Juan Manuel Diaz]

[FBIS Translated Text] The Attorney General's Office has opened a case against Haitian dictator Raoul Cedras and more than 300 of his aides in order to freeze the bank accounts and properties they have in Panama.

EL PANAMA AMERICA was able to learn the investigation began on 3 June, when Executive Decree 134 was issued instructing the Attorney General's Office to "freeze without delay" the assets and accounts owned by the Haitian coupists.

An Attorney General's Office source has reported all banks were notified to freeze the accounts, but it seems the military leadership did not have accounts under its name in the Panamanian banking system.

The order to freeze the accounts and assets of the Haitian coupists was issued in compliance with a UN Security Council resolution.

Washington decided yesterday to lift the freeze on the accounts Cedras and his aides had in the United States, but Panama has yet to take a similar measure.

Meanwhile, an official source told EL PANAMA AMERICA yesterday the Panamanian Government is expecting the arrival of an undetermined number of lower-ranking military aides of Haiti's former strongman, Raoul Cedras. The government appointed yesterday Flavio Velasquez as a liaison between the Panamanian Foreign Ministry and General Cedras, the source has stated.

Meanwhile, it was learned Cedras has not decided where in Panama he will establish his permanent domicile. It was reported the government gave him a number of options, including the islands of Taboga and Contadora. In addition, it was reported the dictator will live in Chiriqui Province or Cerro Azul.

Government and Justice Minister Raul Montenegro has said the police will protect the Haitian military leader for 10 or 15 days.

The state security corps has almost taken over the Riande Continental Airport Hotel. It was also reported that Police Under Commissioner Eric Sanchez, Police Investigation and Information Department (DIIP) subdirector, is in charge of the security surrounding Cedras and his aides.

Cedras arrived in Panama at 0410 on 14 October, along with his wife, Yannick, 40; his sons, Raoul Cedras Jr., 17, and Christian, 10; his daughter, Mitchell, 14; her babysitter, Mitchell Belber, 40; and former Chief of Staff Philippe Biamby, 42.

At Tocumen Airport, Cedras briefly thanked the Panamanian Government and people for granting him asylum. He and his family did not come out of their hotel room yesterday.

Haitian Charge d'Affaires Georges Barberousse has said he did not know anything about the arrival of another contingent of Cedras' aides. Barberousse met with Foreign Minister Gabriel Lewis Galindo yesterday to learn of Cedras' definite status in Panamanian territory.

Meanwhile, law students at the University of Panama have objected to the presence of Cedras in Panama and announced the staging of protests within the next few days.

Envoy to U.S. Interviewed on Asylum

PA1610163194 Panama City LA PRENSA in Spanish 16 Oct 94 p 1

[Report by Betty Brannan Jaen, correspondent in Washington, and Ibeth Vega]

[FBIS Translated Text] Washington, D.C.—The government of Ernesto Perez Balladares would have preferred that Haitian coupist General Raoul Cedras not sought asylum in Panama, said Ricardo Alberto Arias, the new Panamanian ambassador to the United States, in an interview in Washington yesterday.

"You can be certain the Panamanian Government would have preferred not to receive Cedras," Ambassador Arias told LA PRENSA, adding: "I would have preferred that Mr. Cedras not come to Panama, and I am certain President Perez Balladares and Foreign Minister Lewis feel the same way."

Ambassador Arias emphatically denied Panama's action was the result of a secret agreement with the United States, through which that country offered compensation to Panama for receiving the Cuban refugees first and the Haitian dictators now.

Asked whether the government of Perez Balladares was pleasing Washington today with an eye to getting recompense for those favors in the future, Arias limited himself to saying it is very important for Panama to maintain harmonious relations with the United States.

The ambassador said by receiving the former Haitian dictator, the intention of the government of Perez Balladares was not to help Cedras but, rather, to support the democratization process in Haiti. He also said the decision was made after both President Jean-Bertrand Aristide and new OAS Secretary General Cesar Gaviria asked Panama to do so.

The ambassador disclosed that Gaviria participated from the beginning in the effort to persuade Panama to grant asylum to Cedras.

Ambassador Arias believes it is advisable for Panama to receive the former Haitian dictators, because "Panama obtains great support and respect at the international level."

International news dispatches reported yesterday that former President Jimmy Carter has said in a conversation with President Perez Balladares that the former Haitian dictators "are not thugs; they are decent people." Nevertheless, Ambassador Arias said he could not agree with that opinion.

Meanwhile, Panamanian Foreign Minister Gabriel Lewis Galindo has to appear before the Legislative Assembly tomorrow to explain the legal foundation on which the government has based its decision to grant political asylum to Cedras and his family.

Lewis Galindo's summons was unanimously approved on 13 October after it was learned the government of Perez Balladares had decided to grant asylum to Cedras, his family, and his associate, Philippe Biamby.

The summons was presented initially by Ruben Arosemena, a Christian Democratic Party legislator, and subsequently received the support of all the political parties.

Legislator—Cedras Asylum Linked to U.S. Commitments

PA1410160894 Panama City EL PANAMA AMERICA in Spanish 14 Oct 94 p 2

[Report by Carlos Vargas; from the "Facets" column]

[FBIS Translated Text] Ruben Arosemena, a Christian Democratic Party [PDC] legislator, has disclosed that the asylum granted to deposed Haitian General Raoul Cedras is linked to certain commitments the Panama Government has with the U.S. Government.

The PDC looks with concern on the decision to grant asylum to the former Haitian strongman, because most of the country does not know what these dark commitments are, Arosemena has said.

As far as Arosemena is concerned, the first big question is why Panama first decided in less than six months to offer refuge to 10,000 Cuban rafters and now grant asylum to dictator Cedras.

According to Arosemena, Panama has been taking up other countries' problems, in which it has no blame or participation, these last few months. Nevertheless, the only green star legislator in the assembly has said Panama's work is not receiving reciprocal support by the U.S. Government.

He has said Panama does not receive the same support from the U.S. Government, even though Panama voluntarily participates in certain international problems.

Arosemena has said that Panama is still waiting for a reply from the U.S. Government on starting negotiations on NAFTA and that Panama does not receive U.S. Government support to solve its financial debt problems either.

The legislator has also said the memories and wounds left by Noriega are still too recent to bring in another dictator now.

Arosemena has denounced that Cedras' asylum gives Panama an image as a paradise for dictators, an image which runs down civic and moral values that have still not been recovered after the dictatorship.

We are sending dictators a message that Panama is a good place for them to seek asylum when the situation becomes critical, he has said.

Legislators Discuss Asylum for Haiti's Cedras

PA1410164494 Panama City LA ESTRELLA DE PANAMA in Spanish 14 Oct 94 p A-1

[Report by Esteban Huertas G.]

[FBIS Translated Text] The asylum granted to Lieutenant General Raoul Cedras and approximately 14 family members was questioned yesterday. Official legislators voiced their opinion in favor of asylum, while opposition legislators voiced their opinion against.

Ruben Arosemena, opposition legislator from the Christian Democratic Party, said the current government's attitude was "a noble act that contributed to the peaceful solution in Haiti."

Arosemena said: "I believe it is positive step when Panama can mediate in international conflicts, for the Haitian people in this case."

Arosemena said that the government of President Ernesto Perez Balladres is being criticized because of its offer of an easy way out to a "dictator who has been responsible for the deaths of thousands of Haitians," adding, "we do not want a dictator in our country."

Meanwhile, the PRD's [Democratic Revolutionary Party] Oyden Ortega, president of the Legislative Assembly Foreign Relations Commission, said the asylum granted to Cedras and associates who came to the nation is based on the human ties that exist in the nation, as Panama is a signatory of the 1954 Caracas Convention.

Panama's position, Ortega said, was founded on the Caribbean nation's democratic process.

Joaquin Franco III, a legislator with the opposition Authentic Liberal Party, said "Panama should not turn into a sanctuary for dictators," given the people did not agree with Cedras' arrival to the country.

Franco said the president should "have Cedras as a guest" at the Palace of the Herons, because the people do not want him. Besides, the ruling class should say what is the price tab for granting asylum to the Haitian lieutenant general.

Meanwhile, Laurentino Cortizo, of the Solidarity Party, appeared pleased with the asylum granted by the Panamanian Government to Cedras. This policy was initiated at the beginning of the century.

Cortizo said the Panamanian administration contributed to Haiti's budding democracy, to the nourishment of it, and, thus, is helping the Caribbean people, who have suffered so much.

Human Rights Committee Does Not Oppose Asylum

PA1610160994 Panama City LA PRENSA in Spanish 16 Oct 94 p 2

[Report by Manuel Alvarez Cedeno]

[FBIS Translated Text] Coupist General Raoul Cedras "is an undesirable person" who has violated human rights in his country, but out of respect for international judicial instruments, "we do not oppose" the asylum granted by Panama, Osvaldo Velasquez, president of the Panamanian Human Rights Committee (CPDH), has said.

Police sources confirmed yesterday reports that Cedras left for Coronado on 14 October to visit its beaches and look at some of the residences.

Cedras has been in Panama City since 13 October. He has been staying at the Riande Continental Hotel near the airport following President Ernesto Perez Balladares' decision to grant him asylum.

Velasquez has said Panama can grant Cedras asylum within international judicial instruments as long as this action does not constitute a problem for his country or the host country.

No legal instrument prohibits Panama from granting asylum to Cedras and his family, he added.

"But my opinion is that Cedras is an undesirable person who has violated human rights," he has said.

Velasquez has said "his arrival does not please us, but we are not opposed out of respect for international instruments."

He has maintained "he is a military member who overthrew a civilian government (that of Jean-Bertrand Aristide). We are not pleased with granting him asylum, but we cannot oppose it."

Various political groups have expressed their opposition to granting asylum to Cedras, but the Panamanian Government states it did so to contribute to the restoration of democracy in Haiti.

Police sources have said that Cedras is staying at a private residence in Coronado and that he will return later to the Riande Continental Hotel near the airport.

Yannick, Cedras' wife, does not want to live on Taboga or Contadora; therefore, rumor has it the Haitians will remain on the mainland.

Former Defense Forces Members To Travel to Haiti

PA1410151294 Panama City EL PANAMA AMERICA in Spanish 14 Oct 94 p A-1

[Report by Aquilino Ortega Luna]

[FBIS Translated Text] Government and Justice Minister Raul Montenegro announced yesterday that 40 former members of the Panama Defense Forces [FDP] will travel to Haiti to help in the restructuring process of that Caribbean nation's security bodies. Montenegro said the former members of the deposed Panamanian regime will perform advisory work for Haiti's private security agencies.

"A large number of security personnel was established in the Republic of Panama after the 1989 invasion. We are seeking to help in the development of Haiti's special systems by sending this personnel over to Haiti," Montenegro explained.

The government and justice minister said 40 FDP members are part of a group of 600 former officers with whom he met recently. Montenegro said he did not know the names of the military personnel who will go to that Caribbean nation or the exact date on which they will travel.

"Every action is begin conducted in coordination with the Foreign Ministry and the United Nations," Montenegro said.

According to the official, the United Nations will defray the costs of their trip and stay. Meanwhile, the Panamanian Government is also planning to send 120 professionals from various medical specialities to Haiti to help eradicate diseases and improve sanitary conditions.

Former Guatemalan President Leaves After Threats

PA1510131794 Panama City EL PANAMA AMERICA in Spanish 15 Oct 94 p A-1

[Report by Juan Pritsiolas]

[FBIS Translated Text] Former Guatemalan President Jorge Serrano Elias has left Panama, reportedly after receiving death threats from Guatemalan guerrillas.

This was reported by Panamanian President Ernesto Perez Balladares during a news conference with foreign correspondents.

Serrano Elias is not in Panama, Perez Balladares said. He added: He left sometime ago because he received death threats.

Other sources have reported that the death threats against the former president were made by alleged members of the Guatemalan National Revolutionary Unity.

Serrano Elias had lived in exile in Panama since the beginning of June 1993. His government minister, Francisco Perdomo, also sought asylum in Panamanian territory.

The Guatemalan Government has requested Serrano's extradition on two occasions, but the administration of Panamanian President Guillermo Endara did not oblige. According to reliable sources, the former Central American president has made several investments in Panama, including a tourist complex in Cerro Azul, has acquired several thoroughbreds, and is a partner in a stereo radio enterprise.

Soon after his arrival in Panama, unidentified people fired on a vehicle owned by Serrano, who at the time was being protected by units from the Institutional Protection Service.

Serrano Said Vacationing in Europe

PA1610155794 Panama City LA PRENSA in Spanish 16 Oct 94 p A-1

[FBIS Translated Text] Friends of former Guatemalan President Jorge Serrano, who has been living in exile in Panama since 1993, affirm he left the country one month ago for a vacation to Europe, not because of threats from the Guatemalan guerrilla movement.

Panamanian President Ernesto Perez Balladares said on 14 October Serrano had left the country after receiving "political threats against his life," reportedly from the Guatemalan guerrilla movement.

The previous administration of President Guillermo Endara granted Serrano asylum after his failed, 1993 self-inflicted coup. He is accused of alleged embezzlement, which he fiercely denies.

A personal friend of Serrano, who has asked to remain anonymous, has said, however, "it is strange to hear that he fled due to the guerrillas. That is the first I have heard about that."

"What I do know is that he went on vacation a month ago with his wife and children. The president (Perez Balladares) may know more about it than we do, but he is on vacation as far as I know."

The source did not say in what country Serrano might be but did say he would be back after his vacation.

According to Perez Balladares, Serrano "is not here right now. He left a while ago due to threats on his life."

Lucas Zarak, who is also a personal friend of Serrano and an Arnulfist legislator, has said the former president had left for a vacation on the Caribbean islands and will visit Europe for a while, specifically Spain.

The legislator has said his friend "has no problem with the Panamanian authorities or with his personal security."

A close collaborator has told LA PRENSA the former president left the country "some time ago, but I have heard nothing about threats. I know he is out of the country and is resting."

Argentina

Menem Returns Early, Suffering From 'Light Conjunctivitis'

PY1410222994 Buenos Aires TELAM in Spanish 2106 GMT 14 Oct 94

[FBIS Translated Text] Buenos Aires, 14 Oct (TELAM) — It has been reported officially that President Carlos Menem advanced his return today from Montevideo, where he was decorated by Uruguayan President Luis Alberto Lacalle, due to an eye ailment provoked by "minor conjunctivitis."

A communique released by the Media Secretariat indicates that Menem "advanced his return to Buenos Aires at the recommendation of his personal doctor, Alejandro Tfeli, who recommended that he should not play any outdoor sports because the chief of state is suffering from light conjunctivitis."

The president arrived in Buenos Aires on a flight that landed at the Jorge Newbery Airport at 1630 [1930 GMT]. He then boarded a helicopter that took him to the Olivos residence.

The eye ailment obliged the head of state to protect his eyes with dark glasses when participating in some public activities in the Uruguayan capital.

Di Tella on Iraq, Falklands, UN Security Council Membership

PY1410200694 Buenos Aires TELAM in Spanish 2149 GMT 13 Oct 94

[FBIS Translated Text] Buenos Aires, 13 Oct (TELAM)-—Foreign Minister Guido Di Tella today stressed: "The fact that Iraq believes it can threaten the world whenever it pleases is extremely serious."

The foreign minister noted that the possibility of Argentina reinforcing the presence of the "Blue Helmets" in Kuwait will depend on the course of events, which has become more serious over the past few days following the deployment of Iraqi troops near the Kuwaiti border.

After addressing the Senate Foreign Relations Committee, Di Tella told journalists: "If necessary, we will see what we can do."

Di Tella explained: "Argentina's willingness to send troops to all these assignments is one thing, but it is quite another thing to do so because the UN Security Council establishes limits on the number of soldiers per country."

The foreign minister reported to the congressional committee, which is chaired by Senator Eduardo Menem, on the formation of a special UN commission to study the Argentine "White Helmets" proposal [to fight poverty]. During his report at the Senate Gray Hall, Di Tella also reviewed the last stage of the negotiations for the Mercosur [Common Market of the South] mechanisms to become fully effective as of 1 January 1995.

Di Tella told the senators that negotiations with the United Kingdom on the Malvinas Islands oil issue are still "very complicated." He believes an agreement on this issue "will take some time" because, for the moment, "we are not very optimistic."

Concerning the possibility of Argentina and Brazil being accepted as UN Security Council's permanent members, Di Tella pointed out that this is the "most ambitious proposal" of the Foreign Ministry.

The Foreign Ministry's "less ambitious" proposal involves seeking to increase the number of nonpermanent UN Security Council members from two to four, to include Latin American representatives.

Di Tella stressed: "Another possibility involves a petition that Argentina plans to file, seeking the reelection of the Latin American countries that are nonpermanent UN Security Council members for another period."

Concerning a proposal raised by President Carlos Menem to form a special White Helmets corps to struggle against hunger and poverty in the world, Di Tella emphasized: "We are in the implementation stage."

Di Tella appeared before the legislators accompanied by Octavio Frigerio, the executive branch White Helmets Commission chairman, who emphasized U.S. President Bill Clinton's support for the proposal.

Bolivia

Ending of Haitian Embargo, Cuban Case Discussed

PY1410111394 La Paz PRESENCIA in Spanish 3 Oct 94 p 3

[Article by Carlos Castilho]

[FBIS Translated Text] The hasty suspension of the U.S. economic embargo on Haiti has created a new and controversial gap in the U.S. State Department policy toward Cuba, which has endured similar sanctions for more than 30 years now.

More than one year ago President Bill Clinton was trying to convince the U.S. people that Fidel and Cedras were two great enemies of democracy on the American continent and that they should both be kept in complete isolation.

This idea changed drastically shortly after the Marines landed in Port-au-Prince, when the U.S. Government announced it was lifting the blockade before the democratic regime returned to Haiti.

The haste in lifting the economic sanctions even surprised the United Nations, which had endorsed the sanctions measure and was not consulted by the United States before Clinton announced his decision to lift it.

General Raoul Cedras was curiously turned into a U.S. partner after the State Department had expended a lot of ink and saliva in the process of describing the Haitian dictator as the chief of a brutal and antidemocratic regime.

What stirred a polemic among Washington politicians was the fact that the sanctions against the military regime that staged the coup in Haiti were lifted before the doubts concerning the redemocratization of the Caribbean island had been removed.

The eratic manner in which the White Houses used the economic embargo as a political weapon in the case of Haiti immediately prompted a series of doubts about Cuba, where the economic blockade imposed by the United States 30 years ago is still in force.

This week Anthony Lewis, a conservative political analyst of THE NEW YORK TIMES, wondered whether the hasty lifting of the embargo on Haiti will not set precedents in the Cuban case. This uncertainty is rather uncomfortable for Clinton's administration because it suggests a lack of coherence in his government's diplomacy.

To justify the sanctions, Washington officially states that the use of economic pressure is necessary to cause changes in governments that the White House considers antidemocratic.

If the embargo on Haiti was lifted merely in view of Raoul Cedras' promises that he would not offer resistance to the U.S. military intervention, Fidel Castro may say that he deserves similar treatment because he helped Clinton out of a difficult situation by promising to repress the exodus of raft people to Florida.

The contradictions in Clinton's policy regarding the suspension of the embargo on Haiti has only contributed to worsening the Cuban crisis.

The most heated debate refers to the political consequences suspending the blockade on Fidel may have.

The U.S.-Cuban Foundation, the most powerful group of anti-Castroists in the United States, believes that lifting the embargo will allow the immediate recovery of the Cuban economy and give Fidel many more years of life.

But Carmelo Lago, director of the Cuban Studies Center of Miami University, and Gillian Gunn, of Georgetown University, have stated that the impact of the normalization of trade relations with Cuba would be very small and would only affect, at the most, 15 percent of the Cuban economy.

Finance Minister: Growth Subject to Privatization

PY1410011894 Madrid EFE in Spanish 1727 GMT 4 Oct 94

[FBIS Translated Text] Madrid, 4 Oct (EFE)—Bolivian Finance Minister Fernando Alvaro Cossio told EFE that the privatization process of public enterprises started by Bolivia will be the key to the country's economic future and will mark its expansion and development.

Bolivia depends so strongly on the sale of its public enterprises that Minister Cossio said the economic growth of the next few years depends on the privatization program drafted by the government.

Cossio told EFE that the average growth of the past three years has been 3.8 percent; that it will be 4.2 percent this year; and, "because of the modest needs of the Bolivian economy, we estimate that as of 1996, we will grow between 6-7 percent, thanks to the privatization of a group of enterprises."

This hope, voiced by the person in charge of Bolivia's finances as well as its economic development, is based on the fact that investment as great as that expected will have a great impact on the relatively small Bolivian economy and will entail a significant growth of the GDP.

Cossio told EFE that in order to make this flow of capital attractive, the government has established three priority areas: oil, mining, and agriculture.

He also mentioned the most interesting aspects of the process and the great growth potential of the enterprises, both in the domestic and foreign markets, and urged average size enterprises to resort to privatization.

As an example of the development chances they have in the country, he mentioned the situation of the telecommunications enterprises.

Cossio said: "In Bolivia we have four telephone lines for every 100 inhabitants, while in Argentina they have 20. The same goes for the electrification service, where only 56 percent of the people enjoy a permanent supply of electricity."

He added: "There is a great expansion capacity and at the same time we can export to southern Peru, northern Chile, and the western Brazilian states."

Cossio justified Bolivia's interest in joining the Mercosur [Common Market of the South]: More than 50 percent of Bolivia's foreign trade is with the Mercosur member countries, but the fact that it belongs to the Andean Pact prevents it from joining Mercosur.

The finance minister said: "Right now everything is very vital, and what we are going to do is watch the performance of these two groups and make a decision later."

The coca problem was also raised by the Bolivian Government representative, who asserted that "we respect the international agreements, but we must continue with the alternative development program as a medium term solution," and denied that the system had failed completely.

As for debts, he said Bolivia has none with the international commercial banking sector. He said that 52 percent of the Bolivian debt is with multinational organizations and 48 percent with countries on a bilateral basis.

Cossio complained: "It is still burdensome because it represents 12 percent of the national budget."

Quiroga: Antidrug Strategy Failed, Proposes Changes

PY1710100794 Cochabamba LOS TIEMPOS in Spanish 27 Sep 94 p A2

[FBIS Translated Text] La Paz, 27 Sep (LOS TIEMPOS)—On the eve of the second round of the "national debate on coca-cocaine" with organizations and representatives of countries that cooperate in the antidrug fight, Government Minister German Quiroga admitted that the national strategy for "enforcement, alternative development, and prevention" of illegal drug trafficking, a strategy that Bolivia designed in 1987, "failed and did not attain satisfactory results for the country."

"Within the next few hours we are going to make known to the international community a readjustment of the antidrug policy, because the current policy—designed in 1987—did not yield the expected results," the minister said categorically, and to support his remarks, he added that with the "implementation of the antidrug policy designed more than six years ago, Bolivia had more failures than positive achievements."

He pointed out as signs of those meager results "the incomplete elimination of the gangs dedicated to drug trafficking in Bolivia, deficiencies in the administration of justice to impose examplary punishment on traffickers whose fortunes exceed $6 or $7 million, and the meager achievements concerning the objective plans for alternative development in traditional zones of coca plantations."

"There are several inconsistencies in the antidrug policy which must be eliminated," Quiroga said, although he explained that "since 1987 some errors have been found but so have positive things, and we are going to work more consistently within the next few months based on those positive things."

The government minister explained that the current government has promoted the national debate on the set of problems involving the coca-cocaine case with the purpose of "collecting good ideas" from the active institutions of the Republic and the thinking and philosophy of the international organizations that cooperate in the antidrug fight, to "officially submit a new proposal to the nation."

"The country must show and explain its antidrug policy to the international community and it has done so over the past eight years, and the government will continue on this path," the minister said upon stating that a readjustment of the Bolivian strategy in the antidrug fight "will be the product and the result of the great national debate" which will begin a new stage on Wednesday, 28 September (today), and Thursday, 29 September (tomorrow).

"It is not a question of placing a coca leaf on one's lapel and saying that it is not cocaine." That is not scientific and not serious, Quiroga said, referring to former President Jaime Paz Zamora, and announced that the current government will begin a "systematic campaign for the decriminalization of coca internationally, with serious and categorical arguments."

Brazil

Opposition Noted to UN Security Council Declaration on Haiti

PY1510030894 Madrid EFE in Spanish 2235 GMT 14 Oct 94

[FBIS Translated Excerpt] United Nations, 14 Oct (EFE)—On Saturday, 15 October, the UN Security Council will vote on a draft resolution hailing the return of President Jean-Bertrand Aristide to Haiti, because Brazil frustrated a consensus on a declaration, which would have been logical in this case.

According to diplomatic sources, Brazil—which, together with the PRC, abstained when the Council approved Resolution 940 authorizing the use of force to oust the coupists in July—opposed the inclusion, in the draft declaration, of any reference to this resolution and of any praise for the multinational force (especially U.S. forces).

Security Council declarations, which are not binding, must be approved by the 15 Council members.

For a resolution, however, it is necessary to have at least nine favorable votes, even if the other members oppose (except in case of a permanent member, because in that case it would be a veto, which would cancel the resolution) or abstain. It is not known whether Brazil will abstain or whether it will oppose.

In light of the Brazilian attitude against a compromise formula, the draft declaration was transformed into a draft resolution, with the sponsorship of the United States, Argentina, France, Pakistan, Djibouti, and Canada. Other countries might co-sponsor the resolution. [passage omitted]

PT Deputy Promises 'Constructive' Opposition to Cardoso

PY1510022194 Sao Paulo AGENCIA ESTADO in Portuguese 1447 GMT 13 Oct 94

[FBIS Translated Text] Sao Paulo, 13 Oct (AE)—Federal Deputy Paulo Paim (PT-RS) [Workers Party—Rio Grande do Sul] today said that the PT will engage in "constructive, responsible, and controlling opposition" to the government of Fernando Henrique Cardoso. "I think we must approve whatever favors the interests of the workers and the country, independently from whom the initiative comes," Paim said. He added that "it is not the moment to hope that the future government will not do well because if this happens, the people will once again be the ones to pay the consequences."

Paim believes that his position somehow reflects the line that must be followed by the party in congress after the 15 November runoff. "Ninety percent of the deputies elected for the PT, and mainly those who obtained the greatest number of votes, express a more open line of action within the party. The election results should serve as a thermometer for the party," he said. Paim is the deputy who received the most votes in Rio Grande do Sul, with 138,558 votes.

Paim believes it is an illusion to expect the Constitution to be amended this year. He argued that nearly 50 percent of the congressmen who were not reelected will not be motivated to help gather a quorum in congress. Besides, the runoff will mobilize the politicians. "Congress will attain a lot if it manages to comply with its current agenda by voting on more than 50 provisional measures which have been stuck for a long time and the 1994 and 1995 budget bills," he said. Among the provisional measures, he mentioned the one that instituted the Real Plan and the one on the minimum wage, which was reissued with No. 637. The constitutional amendment bills could even be presented during the present term, but the debates should take place in 1995, Paim forecast. "Let whoever obtains the support of three-fifths of congress carry out the reform," he said.

Leftist Parties Unite To Elect PT Gubernatorial Candidates

PY1410200394 Rio de Janeiro JORNAL DO BRASIL in Portuguese 13 Oct 94 p 5

[FBIS Translated Text] Brasilia—The leaderships of the leftist parties are beginning to mobilize to elect the PT [Workers Party] candidates who are competing in the second round of the gubernatorial elections. The first step was taken yesterday with regard to Cristovam Buarque, PT candidate for governor of the Federal District. He received formal support from Pernambuco Senator-elect Roberto Freire, of the People's Socialist Party, and from new Pernambuco Governor Miguel Arraes, of the Brazilian Socialist Party. Cristovam Buarque received Freire's and Arraes' support for his candidacy at the Brasilia airport, where he arrived yesterday morning after having rested for four days with his family in Joao Pessoa, Alagoas State.

Miguel Arraes traveled from Recife to Brasilia especially to discuss his participation in the campaign for the PT candidate, who was also born in Pernambuco. Arraes said: "I believe Buarque has a great chance of being elected." Freire, who is Buarque's childhood friend, pointed out "that the unity of the democratic forces is of paramount importance" in electing the PT candidate for the Federal District governorship.

In this regard, Freire praised the support Buarque was receiving from the Federal District office of the PSDB [Brazilian Social Democracy Party]. "It is important that this alliance be consolidated at the level of a permanent dialogue between the forces that want to transform the country," Freire said. He defended the idea that this alliance should also be extended to other states.

Cristovam Buarque arrived in Brasilia yesterday in a good mood, celebrating Maria Lourdes Abadia's support for his candidacy. Abadia was the PSDB's candidate for the Federal District, who lost in the elections. "I had already expected Abadia's support, but I must confess that I was very moved by the way she offered me her support even before the PSDB decision," Buarque said, while more than 50 PT militants shouted slogans and waved PT flags.

Buarque said that he would discuss with the PT national board the party's possible support for the PSDB candidates who are competing in the second round of the gubernatorial races in Sao Paulo and Minas Gerais. This was one of the conditions imposed by Abadia in order to agree to campaign for Buarque. "It is still early to say whether the board will support the claim of the PSDB office here in Brasilia," Buarque said.

When he resumes his electoral campaign, Buarque plans to mention his period as rector of Brasilia University (UnB) from 1985 to 1989. His period as rector has been broadly criticized by the Brazilian Labor Party candidate for the Federal District governorship, Valmir Campelo.

"If my administration at UnB had not been good, I would not have received so many votes from students, professors, and UnB employees," the PT candidate retorted. He plans to continue his harsh criticism of Campelo. "I will continue to insist that Senator Valmir Campelo is not sufficiently experienced to govern the Federal District," Buarque said.

Official Election Results Released in Minas Gerais

PY1510021994 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 14 Oct 94

[FBIS Translated Text] The Minas Gerais Regional Electoral Court [TRE] has officially announced the final figures for candidates who won majority votes in the elections on 3 October. The Court confirmed the runoff for the state governorship, and the election of PFL [Liberal Front Party] and PTB [Brazilian Labor Party] senators.

After a TRE meeting, Court President (Sebastiao Rosemburg) today proclaimed the winners of the election. Only the candidates who won majority votes were proclaimed.

The TRE officially announced that in Minas Gerais, Fernando Henrique Cardoso won the election for president with 64.66 percent of valid votes, and that Francelino Pereira, of the PFL, and Arlindo Porto, of the PTB, were elected senators for the state.

The Court also announced that the runoff will be held on 15 November and will include Helio Costa, of the PT [Workers Party] and its allies, and Eduardo Azeredo, of the PSDB [Brazilian Social Democracy Party] and its allies.

Federal and state deputies will be proclaimed only after all complaints have been resolved.

TSE Reports Returns After 99.8 Percent of Votes Tallied

PY1510025494 Sao Paulo AGENCIA ESTADO in Portuguese 2230 GMT 14 Oct 94

[FBIS Translated Text] AGENCIA ESTADO reported tonight the Superior Electoral Court, TSE, bulletin on the latest vote tally figures. They reflect 99.8 percent of the overall votes, which were cast in 282,854 voting locations. The figures are as follows:

Fernando Henrique Cardoso—34,287,725 (54.3 percent); Luiz Inacio Lula da Silva—17,081,360 (27.1 percent); Eneas Carneiro—4,644,732 (7.4 percent); Orestes Quercia—2,768,269 (4.4 percent); Leonel Brizola—1,988,375 (3.1 percent); Esperidiao Amin—1,737,684 (2.8 percent); Carlos Gomes—386,847 (0.6 percent); Hernani Fortuna—236,851 (0.4 percent); null votes—7,422,387 (11.8 percent); and blank votes—7,179,324 (11.4 percent).

TSE Officials Discuss Alleged Vote Fraud in Rio de Janeiro

PY1510010094 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 14 Oct 94

[FBIS Translated Excerpt] The delay in the vote count in Rio de Janeiro could delay the releasing of the election results by the Superior Electoral Court [TSE].

The latest deadline for releasing nationwide election results is 23 October. However, in Rio de Janeiro, 800 of the 23,364 ballot boxes still have to be scrutinized. Furthermore, the votes in the districts in which fraud was detected will be recounted.

TSE supervisor Jorge Flaquer Scartezzini, who is monitoring the vote count process in Rio de Janeiro, will return to Brasilia on 15 October, because federal troops are providing security for electoral judges and scrutinizers in the 25th electoral district. Flaquer will submit a report to TSE President Sepulveda Pertence. [passage omitted]

Flaquer Scartezzini today gave assurances that those responsible for fraud in Rio de Janeiro will be punished. Flaquer, who came to Rio de Janeiro in response to an invitation from the TRE [Regional Electoral Court], said he will not protect anyone, adding that there is no corporativism and that facts must be clarified.

Flaquer added that he does not yet have enough evidence to ascertain whether fraud in Rio de Janeiro was masterminded before the elections. He explained that all possibilities are being analyzed, even those regarding disorganization within the TRE. In his opinion, charges should not be pressed without concrete evidence.

In connection with the electoral process in Rio de Janeiro, he said he believes everyone has shown good will.

Flaquer gave assurances that the runoff will not have the same vote counting problems, adding that he has already adopted measures to prevent shortages of material and computer operators.

Concerning the vote count delay, Flaquer mentioned another factor, namely, that the election was very complex and that voting stations were managed by inexperienced people. This will not occur in the runoff, when people will have better chances of resolving problems.

Flaquer toured the electoral districts in western Rio de Janeiro, in the Fluminense area, accompanied by TRE Vice President (Genarino Carvalho) and TSE regional supervisor (Paulo Cesar Salomao).

Concerning the request for a new vote count, which was submitted by politicians, Flaquer said that it will be granted only if really necessary, and that he is now evaluating the situation.

TSE President Sepulveda Pertence this evening admitted the possibility that votes might be counted again in Rio de Janeiro. He said the measure might be adopted as a special case, depending on the report that supervisor Flaquer will submit in Brasilia over the weekend. [passage omitted]

Pertence ruled out the possibility of annulling the elections in Rio de Janeiro. He added that the electoral courts did not try to convince people that computerized electoral districts would resolve vote counting problems.

[Begin Pertence recording] Despite its being deplorable, the Rio de Janeiro case is historically significant, because it has shown the danger of the primitive election and vote counting system that we have in Brazil. [end recording]

In addition to the report to be submitted by the Rio de Janeiro TRE, Pertence will receive another report from electoral court technicians, with information on each Rio de Janeiro electoral district.

PMDB To Assemble 'Brigade' for Runoff Elections

PY1410235094 Rio de Janeiro JORNAL DO BRASIL in Portuguese 14 Oct 94 p 4

[Article by Cristina Braga]

[FBIS Translated Text] Florianopolis—The Brazilian Democratic Movement Party, PMDB, national leadership yesterday reported in Santo Amaro da Imperatriz, 35 km from Florianopolis, that the party will assemble a "brigade" to support the party candidates who will dispute the runoff in the various states. Leaders such as Luiz Henrique da Silveira, president of the party's national board; Rio Grande do Sul Senator Pedro Simon; and Sao Paulo Governor Luiz Antonio Fleury Filho will be members of the "brigade." Together, they will visit the states of Rio Grande do Sul, Santa Catarina, Paraiba, Acre, Goias, Piaui, and Rondonia.

The three PMDB leaders yesterday met at the Plaza Caldas da Imperatriz Hotel, where Simon is recovering from surgery. Antonio Britto, Rio Grande do Sul gubernatorial candidate; Paulo Afonso Vieira, Santa Catarina gubernatorial candidate; and Santa Catarina Senator-elect Casildo Maldaner also attended the meeting. On 17 October, they will meet governors, deputies, and other senators- elect at the Bandeirantes Palace, in Sao Paulo, to define the party's common strategy for the runoff elections and to standardize the campaign.

Luiz Henrique said: "The party is summoning all of its members for a tour of the country to support its candidates." According to him, the party will discuss the establishment of a superbloc in Congress to participate in Fernando Henrique Cardoso's administration only after the runoff. Two items, however, have already been defined: The PMDB—which still has the largest bloc in the Chamber of Deputies despite Orestes Quercia's defeat—favors constitutional and fiscal reform.

In Governor Fleury's opinion, the PMDB that emerges from the ballot boxes is not a politically defeated party. He thinks that Quercia's defeat in the presidential elections is "only an electoral defeat." Fleury added: "I have opposed Quercia's candidacy from the beginning, but I have remained faithful to the party. The PMDB will not seek to contact Quercia because we tread different paths." He did not want, however, to comment on the former governor's possible decline within the party.

Senator Pedro Simon said that his party's natural tendency is to support Cardoso.

Cardoso Adviser Souza Discusses Privatization Plans

PY1410193294 Buenos Aires TELAM in Spanish 2149 GMT 9 Oct 94

[FBIS Translated Text] Rio de Janeiro, 9 Oct (TELAM/SNI)—Brazilian President-elect Fernando Henrique Cardoso wants to accelerate and extend the privatization process of public companies to increase social investment.

Economist Paulo Renato Souza, coordinator of Cardoso's government platform, told the newspaper O GLOBO today that the future president will invest the money obtained from the sale of public companies during his administration—which is calculated to amount to $15 billion—in infrastructure and energy.

"Thus, by alleviating the federal budget from costly investments in these areas, the government will have nearly all its regular resources available for investment in social projects," Souza said.

To the 21 public companies listed in the current privatization program, Souza said, Cardoso intends to add 16 more hydroelectric plants under construction. One of them is the Xingo hydroelectric dam, located in northeastern Brazil, which is considered one of the largest in the country.

The privatization program includes Brazilian Aeronautics Company (Embraer), Light (which provides power for Rio de Janeiro State), Escelsa [Espirito Santo Power Plants, Inc.], the Federal Railroad System, Inc. (RFFSA), the Meridional Bank, the Federal Network of General Railroad Warehouses (AGEF), all 12 petrochemical companies, and three chemical companies [cloroquimicas].

The Brazilian privatization process, which began in 1990 with Fernando Collor de Mello, who sold one petrochemical company and the steel plants, has come to a standstill during the administration (1992-94) of President Itamar Franco, who demanded a revision of the entire process.

When he puts the hydroelectric dams under construction up for sale, Cardoso—who becomes president on 1 January—will also send to Congress a draft bill to allow private companies to participate in service companies and make government economic monopolies more flexible.

The 1988 Brazilian Constitution establishes a government monopoly on the exploration, exploitation, and distribution of hydrocarbons, as well as on telecommunications.

The president-elect said that he would propose constitutional amendments to allow multinational companies to explore mineral reserves and participate without restriction in the privatization process.

However, during his first news conference after having won the elections, Cardoso said that he does not intend to privatize Brazilian Petroleum Corporation (Petrobras), or the Brazilian Telecommunications Company (Embratel), the two largest Brazilian public companies.

According to Souza, the entire privatization process will render a profit of $15 billion during the four years of Cardoso's administration.

Economist Edmar Bacha, Finance Ministry adviser and a personal friend of Cardoso, told EFE that this process could even yield a profit of $50 billion for the country.

Souza reported that the funds obtained from the privatizations will be invested in energy, transportation, and communications, while the regular budget resources will be meant for social investment, which is the greatest concern of the future president.

Cardoso Views Economic Reforms in Pre-Election Interview

95SM0006A Sao Paulo EXAME in Portuguese 28 Sep 94 pp 22-24

[Interview with presidential candidate Fernando Henrique Cardoso by Nely Caixeta and Angela Coronel in Brasilia; date not given: "All You Have To Do is Wipe the Dust Out of Your Eyes"]

[FBIS Translated Text] **With the elections less than two weeks away, candidate Fernando Henrique Cardoso is in the best of spirits. No wonder. The voter polls place him in a splendid position. If elected, he will take command of the country at a time of happy coincidence. "We are on the verge of a big takeoff, because Brazil is straightening out its economy at a time when the rest of the world has also gotten itself in order and started to grow," he says. Fernando Henrique promises to sell the Rio Doce Valley Company, do away with the monopolies enjoyed by Telebras [Brazilian Telecommunications, Inc.] and Petrobras [Brazilian Petroleum Corporation], and combat the deeply ingrained corporatism of government-owned firms. In his opinion, Brazil will be able to compete in the coming century only if the state invests heavily in its citizens. "Competition presupposes gray matter," he said during a 1.5-hour interview—the telephone had been disconnected—with EXAME in his official apartment in Brasilia, which he hopes to exchange for Alvorada Palace in the near future.**

[EXAME] If you are elected, do you intend to finally get the privatization process started? Your platform is not very definite on that point.

[Cardoso] We are going to speed up the privatizations tremendously. The idea is to examine the government-owned firms on a case-by-case basis. If we do not find any strategic reasons to continue the state's presence, we will privatize. But to do so, we are dependent upon Congress, which must approve measures making it possible to loosen the monopolies on petroleum and telecommunications. It will also be necessary to amend legislation governing participation by foreign capital in mining and energy. But everything will have to be sold at a very good good price—without affecting the state's overall assets.

[EXAME] You talk simply about loosening the petroleum monopoly. Give three reasons why Petrobras should not be privatized.

[Cardoso] One is enough. There is no one to buy it. The value of Petrobras—something in the neighborhood of $100 billion—is such that there is no possibility of finding a buyer. So the solution is to loosen its monopoly. This is being discussed within the company. There are people in the firm who feel that there should be competition even in extracting petroleum.

[EXAME] What about Telebras's monopoly?

[Cardoso] It should not continue to be a monopoly company. Monopoly may be justified in some segments. But not across the board. There is certainly no reason to continue the telephone monopoly because a competitive arrangement is possible there. But there are segments, such as satellites and transmission lines, where the public authorities should probably exercise control.

[EXAME] Are you going to privatize the Rio Doce Valley Company?

[Cardoso] Yes. But under favorable conditions. The government must be careful to ensure that public property is not sold off at very low prices. We are going to privatize, but only when we can get the best price for the firm in question.

[EXAME] How are you going to deal with those that are a stone in the shoe of any manager, the professional groups?

[Cardoso] That is the worst of the Brazilian state's problems because it has not been fully dealt with openly, and it has the appearance of being a worthwhile thing. Group interest is being confused with defense of the fatherland. The other day I attended a debate at the Bank of Brazil. I must say that there is no intention of privatizing it. But public banks must be public. The union leaders who were waiting for me had such an incredibly narrow outlook that they even complained that as minister of finance, I had regulated the Savings Bank's foreign exchange activities. They wanted exclusive rights.

[EXAME] Do you believe in the marketplace?

[Cardoso] We are already living in a market economy. Any attempt by the state to counteract that trend is going to fail. People, including businessmen—the supporters of nationalization who wanted subsidies and protection—have found it hard to understand this. A market economy with democracy in an unjust society such as that in Brazil requires government action. The idea of neoliberalism makes no practical sense. A weak state does not function in favor of the market, does not guarantee freedom, and does not change matters in the social area. A functioning government is needed. There must be a state.

[EXAME] The firms are paying too much in taxes. What do you intend to do about that?

[Cardoso] I don't feel that Brazilians pay too much in taxes. The tax burden is poorly distributed, but it is not excessive. There are not 56 taxes, as people are claiming. That is just lobbying. When I was in the Ministry of Finance, there were teams working on that. If I am elected, I will resume those studies immediately. The difficulty is that most of the tax reform proposals reduce the total amount of tax. With the result that you would have no way to finance Brazil.

[EXAME] What will you do if the recent reduction in import tariffs results in the bankruptcy of a number of industrial sectors?

[Cardoso] When I was in the Ministry of Finance, there was a lot of pressure, especially from businessmen in Sao Paulo, to bring the opening-up process to a standstill. The textile industry in Americana said it would go bankrupt. We won't even talk about the tractor industry. But no one closed his doors because of the opening up. There were internal problems in the firms themselves, but since we were already resuming the process of growth, the opening up did not result in losses for anybody. And it is not going to cause problems now, either. Demand is very high. If the economy is not opened up, there will be insufficient supply and then inflation. The first stage of opening up consists of opening our market to imports of goods. After that comes the stage of investment and specialization—and this includes human resources. It is clear that we must keep a careful watch on the problems that may be caused by foreign exchange. We are also keeping a careful watch on unfair competition.

[EXAME] Is it possible to move ahead with a deindexation plan in a country whose economy is hemmed in by over 30 indexes?

[Cardoso] We must do away with all of them. Gradually. Because they are going to become useless.

[EXAME] There are those who say that you are a lucky man.

[Cardoso] It's true. "Without luck, virtue is not enough." I have always felt that I am lucky. But I have also failed in a lot of things. I was exiled when I was not expecting such a thing. I lost the mayoral race in Sao Paulo when I could have won. And here, incidentally, I will digress on the subject of luck. By attacking me instead of Janio, the PT [Workers Party] brought me good luck. Perhaps I would not be a candidate for president of the republic today if I had been elected back then. I also failed in my bid to be elected rapporteur of the Constituent Assembly. Brazil chose Bernardo Cabral. Don't forget that. But in addition to luck, what I have is conviction. I don't lose heart. Luck has to be built up. One must have virtue to have luck.

[EXAME] When did you begin to think that you might be president of the republic?

[Cardoso] I didn't even think I might be minister of finance. It was Itamar who first thought of me as a presidential candidate. According to his plan, Antonio Britto was to be my vice president. But I never made a move to be a candidate. And not because of virtue, but because of belief. I don't believe anyone can achieve a majority position if he is obsessed with having it. My appointment as minister of finance took me by surprise. I was tense when I flew to Brazil, and here I found incredible receptiveness. Itamar had begun talking about my candidacy long before that. When he offered me the Ministry of Foreign Affairs—at this very table where we are talking now—he must have already had that idea in his mind. So much so that he invited me to participate in all the important economic decisions.

[EXAME] What is the advantage of winning in the first round of balloting?

[Cardoso] Everything will move much faster, and that includes the attempts at reform in Congress and the putting together of an administration. Another advantage is that money will be saved. We had estimated that we would spend from $65 million to $70 million during the campaign. The last time I looked, we had managed to obtain $16 million.

[EXAME] Why is the collection of funds for the campaign below what you expected?

[Cardoso] The businessmen did not contribute to my campaign at first because they did not believe in me. They felt that Lula was going to win or that Quercia was bound to move ahead. No one gave me an amount big enough to make me think I owed anybody anything. I don't owe anything. No one gave more than $500,000. I think that is great.

[EXAME] If you are elected, will your administration really be the one managing the takeoff, or is that just exaggerated optimism in view of the major reforms that still need to be carried out?

[Cardoso] We are on the threshold of an important turnaround. That is not because I want it. It's just a matter of wiping the dust out of one's eyes. I am very fond of a poem by Fernando Pessoa that says: "Take away the hot dust that clouds my eyes." Brazil is much better than the image we have of it. We grew by 5 percent last year, and we are moving at the same pace this year. I never forget what Minister Domingo Cavallo told me right after he became minister of finance. He said that Brazil was going to grow by 10 or 15 percent per year. I take a more moderate view. Growth that fast would cause problems for us because of its impact on inflation. The thing that will be part of my administration is growth.

[EXAME] What makes you so sure?

[Cardoso] It is not only because we have managed to straighten out our economy, but because the rest of the world has also straightened itself out. Economic cycles are coinciding today. The other day, former Minister Luiz Carlos Bresser asked me if I knew what the Kondratieff cycle was. I do know, because I studied economics. There are two kinds of economic cycles: long-term ones lasting 30 or 40 years and short-term ones occurring in the middle of those longer cycles. According to Bresser, we are not only in a long-term cycle but also at the start of a short-term one. It's the best of both worlds. The role of economic policy is to take advantage of the right moments and maximize them. The problem now is to know how to grow. We will have to deal with great difficulties in the social area. If we are unable, for example, to provide widespread access to education, we will not enter the next century as a country able to compete. Because competition presupposes gray matter.

[EXAME] What will your first 100 days at the head of the country be like? What are the most urgent reforms needing to be tackled immediately?

[Cardoso] If I am elected, I will tackle tax reform immediately, settle the question of social security and health, and also take care of some matters that make administrative reform difficult.

[EXAME] What was the first thing that passed through your mind when you heard about former Minister Rubens Ricupero's indiscreet conversation?

[Cardoso] I was worried at first because I was afraid that the matter would drag on too long to be resolved. My concern was to find a solution immediately, as had happened in the episode involving the departure of Guilherme Palmeira (his former vice presidential running mate, who was replaced by Marco Maciel). Another thing that helped was that Ricupero did something that few people do: he admitted his mistake. That carried weight.

[EXAME] What happened to Ricupero?

[Cardoso] He was the victim of the climate that prevails in Brazil today. He was sacrificed. A few minutes of mental fatigue wiped out 30 years of a life in public service. He is a man who deserves all my respect and who has worked hard for Brazil. I don't understand what happened. For that matter, neither does he.

[EXAME] Have you talked to him?

[Cardoso] I telephoned him after the episode in question and talked to him in person at Ciro's swearing-in. I was with him again last week. Ricupero was a great minister. He is an honorable man—a man of integrity. I don't want to judge him the way others have done by saying that he was a victim of vanity. Besides, they say that I am vain, too.

[EXAME] Why do you believe that you are the best candidate?

[Cardoso] Because I am. My proposal is in tune with what Brazil is today and with what can be done to make progress. I like realistic utopias. One must dream, but the trouble comes when utopia detaches itself from reality. Even worse is when it becomes a regressive utopia. The PT is looking backward, and so are some sectors of the church. Oh, how great it would be if there were only small property owners! Oh, how great it would be if minifirms were the matrix of the world! Oh, how great it would be if everyone immediately became equal! That is tragic. They have gotten off the track because they don't know whether Brazil should be a big Nicaragua or a Cuba. It cannot be either, because neither of the two was a success.

[EXAME] What about that ribbon of Our Lord of Good Ending that you have been wearing on your wrist for so many months? Do you think it will fall off on 3 October? [The belief is that when the ribbon falls off, the wearer's wish will come true.]

[Cardoso] I hope so.

[EXAME] Have you been asking God for that to happen?

[Cardoso] Every day.

Cooperation, Consultation Accords Signed With Russia

PY1410193694 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 14 Oct 94

[Report by Poliane Castello Branco]

[FBIS Translated Text] Brazil and Russia have signed a treaty in Moscow on partnership relations, a protocol of consultation between the two governments, and a memorandum of intent to monitor the environment.

Brazilian Foreign Minister Celso Amorim held talks with Russian Foreign Minister Andrey Kozyrev. They signed a treaty on partnership relations between Brazil and Russia representing their mutual desire to raise the level of their bilateral relations.

The ministers also signed a consultation protocol between the two ministries and a memorandum of intent on the protection of the environment.

In order to develop partnership undertakings in the fields of science and technology, space, and environmental cooperation, a Brazilian business delegation and a Science and Technology Ministry mission will soon visit Russia.

Minister Celso Amorim carried a message from President Itamar Franco to President Boris Yeltsin reiterating an invitation to the Russian leader to visit Brazil.

Cardoso Accompanies Wife on Trip to Moscow; To Visit U.S. in Nov

PY1510020094 Brasilia Voz do Brasil Network in Portuguese 2200 GMT 14 Oct 94

[Report by Alicia Santiago from Brasilia]

[FBIS Translated Text] President-elect Fernando Henrique Cardoso is leaving for Moscow tomorrow. He will depart from Sao Paulo and stop over in Paris and Frankfurt. His visit to Moscow is strictly private, since the only purpose of this trip is to accompany his wife, Ruth de Cardoso, who will have some working meetings there.

On his first trip abroad after having been elected president, although he has not yet received the certificate of president-elect, Fernando Henrique Cardoso will have the support of the Brazilian embassies. He will stay at the Brazilian Embassy in Moscow, while in the other cities he will visit, he will stay at a hotel.

During his stay in Russia, Cardoso will travel to St. Petersburg. He will also visit Stockholm, Budapest, and Prague before returning to Brazil at the end of the month.

Cardoso's first working trip abroad in his capacity as president is scheduled for the end of November. He will make a tour of France, the United Kingdom, Germany, Spain, Japan, and the United States, where he will hold meetings with the authorities.

Colombia

Foreign Ministry Rejects U.S. Travel Advisory

PA1510191194 Madrid EFE in Spanish 2018 GMT 14 Oct 94

[FBIS Translated Excerpt] Santa Fe de Bogota, 14 Oct (EFE)—Colombian Foreign Minister Rodrigo Pardo today rejected travel advisory warnings issued by the U.S. Embassy on the dangers to U.S. tourists in Colombia and said that "there are risks in all countries, including the United States."

Pardo said his government does not agree with the caution issued by the U.S. Embassy in Santa Fe de Bogota, which last month distributed a consular circular warning U.S. tourists that traveling in most parts of Colombia "is particularly dangerous."

"I invite all North Americans to visit Colombian territory and see for themselves if this is really a dangerous country," Foreign Minister Pardo said. [passage omitted]

Foreign Minister Discusses Relations With U.S.

PA1510032994 Santa Fe de Bogota EL TIEMPO in Spanish 9 Oct 94 p 8A

[Interview with Foreign Relations Minister Rodrigo Pardo by Jesus Ortiz Nieves and Francisco Celis; date and place not given]

[FBIS Translated Text] [EL TIEMPO] Several public sectors have severely criticized Gabriel Silva, former ambassador to the United States, for the manner in which he handled the Helms Amendment and the recent problem with the Colombian roses.

[Pardo] I believe that our relations with the United States are frequently viewed in the wrong context. First, it is erroneous to think that relations are defined by the degree of friendship or hatred between the two countries. The fact that we are friends with the United States does not mean we agree or that our interests on all issues are the same, just as the fact that some people want autonomy from the United States does not imply we must disagree on all issues. I believe our relations must be based on recognizing our friendship and on the fact that we share fundamental values such as democracy and free trade. We must also view each issue with a cool head, not with a presumed general attitude toward the United States. This is why in these two months since we took power we have addressed very significant issues of common interest. We have found similarities and big coincidences in the fight against drug trafficking, and we cooperated with one another at the Population and Development Conference in Cairo. At the same time, we have disagreed on some issues such as the case of Haiti, especially prior to the intervention when we thought the United States was interested in the use of force, which we thought was not necessary. In addition, we disagreed on the case of the roses and the Helms Amendment. In short, handling our bilateral relations requires sensibly discussing each issue and reaching agreements.

[EL TIEMPO] But did Ambassador Silva make any mistake regarding the relations with the United States? Was the Helms Amendment unstoppable or could we have done something about it? Did the ambassador or the advisers fail?

[Pardo] I believe it is usually difficult to foresee when, under normal situations, unscheduled issues will be submitted to Congress, as was the case with the Helms Amendment. We must take into account that this amendment includes frequently unmentionable items. The first unmentionable item is that we worked together with Gabriel Silva in defeating the Helms Amendment, not only with him, who was the ambassador, but with the United States as well. The policy of the Unites States and the U.S. State Department was different from the Helms Amendment. The fact that they expressed this opposing opinion in the U.S. Congress was very significant as congressmen changed their votes. The other unmentionable item is that there was another Helms Amendment included in a law that did not pass from the beginning, and we worked on this along with Ambassador Silva and, of course, the Foreign Ministry.

I refuse to say this is inevitable, because a Colombian ambassador to Washington must be aware of what Congress is doing and its agenda; however, insinuating that he could control the agenda of Congress is almost inconceivable. The first Helms Amendment was included at the last minute in a law that had been sufficiently discussed.

[EL TIEMPO] Was there any disagreement with Ambassador Silva on the specific instance of Haiti?

[Pardo] I do not think there was any disagreement with him on this subject. I even asked President Gaviria about his position and he replied it was very similar to ours, that is, to seek participation in the economic recovery, not intervention. It has also been said that there was a misinterpretation of the way the United

States understood our position. Frankly, I do not see any reason for misinterpretation. From the very beginning, Colombia clearly said it intended to participate in reconstruction, not in a military intervention. We even said so during a meeting we held before the swearing-in, when President Samper had already announced that he would appoint several ministers. We also discussed this with Gabriel Silva during a meeting we held with the U.S. State Department, when for the first time we were told about the interest of having Colombia participate in the Haitian affair. I said at the time that I had to consider the matter in more detail because working in economic reconstruction programs would eventually be much more practical than participating in a military intervention. That was always very clear.

[EL TIEMPO] In conclusion, the government does not belittle Ambassador Silva's efforts on the matter.

[Pardo] To do so would be unfair, particularly because I have personally worked with him on many of these subjects, for instance, the Helms Amendment. The truth is that the roses affair has its own dynamics, which originated in the United States from a lawsuit filed by sectors that argue that their interests have been damaged by the Colombian flower exports. (Some studies indicate otherwise, however.) The sectors filed a lawsuit according to a commercial law and succeeded in having it considered by the Department of Commerce.

[EL TIEMPO] At the end of the Bush government there was hope about the possibility of "denarcotizing" the agenda of the relations with the United States. Are we at the starting point?

[Pardo] Undeniably, most of the news that Americans have read about Colombia in the past few months deal with drugs. In the U.S. public's opinion, there has been an undesirable narcotization process in the past few months. The truth is that these relations experienced many difficulties last year, which included the Juanchaco affair, the Supreme Court of Justice's ruling eliminating the penalty on the possession of a personal dose of drugs, the radar sites problem, the Helms Amendment, etc. Many problems have been news about Colombia in the United States, all of them related to drugs. This is in terms of opinion. In terms of reality, I think that, as several U.S. Government advisers have said and as President Samper has said very clearly, the relations between the two coutries are not limited to the subject of drugs. We have discussed more varied subjects, like population and development, as I said earlier. We have establshed some contacts on human rights, a subject on which we hold similar views. In addition, we are working together on the Americas Summit, which we regard as an interesting and very useful initiative by President Clinton. Consequently, I would not say there is "narcotization" in the agenda. In the U.S. people's opinion, regrettably there is, however.

[EL TIEMPO] Is there any lesson from the past administration, that of Noemi Sanin, that should be adopted or corrected?

[Pardo] There are differences in style between the way she did things and the way I do things and in the emphasis that the Gaviria government and the Samper government put on the internal model, all of which is reflected in the foreign policy. For instance, the presence of everything social as the central subject of the internal model has attached to the international scenario, where the social subject is discussed, greater importance regarding foreign policy and the Foreign Ministry's action. Consequently, more than corrections, I would say there are changes of emphasis or style, but that continuity has not been lost. Among other things, this is not a continuity of the Gaviria administration, but something that comes from way back. Colombia's foreign policy has been relatively consistent.

[EL TIEMPO] However, there are reports that the relations between the United States and the Gaviria government were excellent and that now they are at their worst...

[Pardo] It is untrue that relations are now bad, but previously were good. In fact, we could outline very delicate issues that were handled when the relations were good, and now that they are supposedly bad, we could outline significant improvements. The times when things "were fine" included very delicate issues such as the De Greiff case, which was nothing less than the suspension of the judicial cooperation; the case of the Helms Amendment; the case of the radars; and the case of the court legalizating minimum drug consumption doses. Now that the relations are presumably bad, we renewed the judicial cooperation, which allowed us to issue arrest warrants on the Rodriguez Orejuela brothers; we reactivated the radars; and we coordinated efforts during the Population and Development Conference, making the U.S. representative mention in his speech the cooperation of Colombia in reaching a consensus. Saying that the relations are good or bad is very simplistic; we are talking about complex relations in which we need to handle each issue separately.

[EL TIEMPO] By the way, how will the revision of how the DEA operates in Colombia be accomplished?

[Pardo] First, Colombia believes that cooperating with the U.S. security agencies, such as the DEA, CIA, and FBI, is necessary and useful in the fight against drug trafficking. Second, there are many types of cooperation, and we want an effective cooperation with the United States to accomplish the goals of the fight against drug trafficking, based on acceptable terms for Colombia while unrestrictedly respecting our national dignity and sovereignty, taking into account mutual dependence. We want the Colombian efforts to be similar to those of the United States, because this problem affects the two countries. In short, we want to guarantee cooperation under acceptable terms for the Colombian Government.

[EL TIEMPO] But Colombia has some very tangible issues to explain to the United States as far as revising the work of the DEA is concerned.

[Pardo] The truth is that we are just analyzing the issue, and it would be too soon to say anything else, especially because we want the proposals on changing or continuing the current conditions in which the DEA and CIA are operating to emerge from joint discussions. The objective is not to restrict, suspend, or expel the U.S. agencies just because or as a result of the outrage, which I undoubtedly share, triggered by Mr. Toft's statements. The objective is to coolheadedly analyze the conditions to prevent this type of situation from recurring in the future and for the people to better understand and trust cooperation.

[EL TIEMPO] Would this revision have something to do with reducing the number of DEA agents stationed in Colombia and limiting the information we could share?

[Pardo] No. It would have something to do with looking at the balance existing between the U.S. and Colombian efforts and at the degree of competence and veracity that these operations have, obviously within the confidentiality that these crimefighting and drug trafficking operations must always have and clearly taking into account their effectiveness. We are not trying to engage ourselves in cooperating just because, but because we have very clear objectives regarding drug trafficking.

Government Wants U.S. Ban on Tuna Discussed at Commission Meeting

PA1610143794 Santa Fe de Bogota EL ESPECTADOR in Spanish 13 Oct 94 p B-5

[FBIS Translated Text] Colombia will present for consideration by the Inter-American Commission for Tropical Tuna the topic of the U.S. ban on Colombian tuna.

This commission will meet 17-21 October in La Jolla (California). Foreign Trade Minister Daniel Mazuera Gomez said yesterday Colombia will officially file a complaint before its members based on three arguments:

"We do not accept that the decision by a U.S. district judge who interpreted the domestic law on the operation of U.S. fishing vessels is extended to the exports of another country such as Colombia. We do not understand the intent of the application of this law abroad."

If the United States is a member of the commission and has signed an agreement on yellow fin tuna fishing, why is a U.S. authority disregarding it?

If there are precedents (Mexico, 1991) that this type of embargo imposed by the United States contradicts GATT agreements, why is the practice being repeated, in this case against Colombia?

Colombia along with the United States and seven other countries signed in 1990 the so-called La Jolla Agreement, which established yearly limits on dolphin deaths while fishing for tuna. Those limits are becoming increasingly lower. U.S. authorities have failed to comply with this agreement, however, because they have imposed a ban on Colombian tuna imports.

Ecuador

Army Commander Views War Against Terrorism, Drugs

PY1410111194 Lima EXPRESO in Spanish 24 Sep 94 p 6

["Exclusive" interview with Army Commander Division General Victor Bayas Garcia at the Peruvian Air Force Eighth Group Base; date not given]

[FBIS Translated Text] [EXPRESO] General, Peru is engaged in a cruel antiterrorist war headed by President Fujimori, a war that is being waged successfully by the Armed Forces under the leadership of Army Commander General Nicolas de Bari Hermoza Rios. We would like to hear your opinion on the issue in your capacity as Ecuadoran Army commander.

[Bayas] Of course. My opinion will not only be in my capacity as commander of the Ecuadoran Army, but as citizen of the world. I believe that the feelings and hopes of any person who wants peace and development for our people must endorse any effort designed to eliminate terrorism and drug trafficking. I believe this evil that affects the entire world must be tackled by every country, and in this case the Armed Forces, based on the Constitution, must assume their proper role in each and every one of our countries.

[EXPRESO] What about Peru's case, in particular?

[Bayas] In Peru's case, we congratulate President Fujimori's government for its success. Taking advantage of a stopover in Lima, as I return from an official visit to Bolivia, I had the pleasure of meeting with Peruvian Army Commander General Hermoza, who has explained the Army's achievements to me. These achievements in your country are very significant for our land forces.

[EXPRESO] General, you have also mentioned drug trafficking as another scourge. Do you think the day will come when, in keeping with Simon Bolivar's ideal, we will be able to join the Armed Forces of friendly nations, such as Ecuador, against drug trafficking?

[Bayas] We are already doing so at a country level and the political decision of all our leaders, I believe, is heading in that direction. The Armed Forces, respectful of the Constitution, are cooperating in every possible effort, according to their means and capacity, and, naturally, within the framework of the laws of each of our respective countries.

[EXPRESO] General, is this your first visit to our country?

[Bayas] This is the first time I have visited Lima. I have been through here on several other occasions but this time I have spent more than one day in Lima.

[EXPRESO] Is this the first time you met General Hermoza?

[Bayas] This was our first meeting, but I think we have a lot in common due to our education and our institutions. Therefore, it has been extremely pleasant to talk to him about subjects that involve our institutions.

Congress, Executive Agree on Draft Budget Bill

PA1410123894 Quito Voz de los Andes in Spanish 1200 GMT 13 Oct 94

[From the "The Voz Andes Newscast"]

[FBIS Translated Text] There is consensus between Congress and the executive to receive and approve the tax reform for 1995. The parliament said it will receive the Draft Budget and Spending Bill and will try to approve it immediately.

Peru

Armed Forces To 'Guarantee' Clean Elections

PY1410122894 Lima EL PERUANO in Spanish 23 Sep 94 p A3

[FBIS Translated Excerpt] Tocache—Peruvian Army General Nicolas de Bari Hermoza Rios, chairman of the Armed Forces Joint Command and Army commander in chief, yesterday reaffirmed that the Armed Forces will be absolutely impartial in the 9 April 1995 general elections.

He also gave assurances that the electoral process would be absolutely transparent, and added that the Army, as an independent institution, will not support any political group. On the contrary, it will guarantee clean elections, he said.

Gen. Hermoza Rios also harshly criticized the human rights organizations, holding them responsible for the temporary suspension of the anti-subversive actions in the Upper Huallaga zone, specifically in the Cuchara area in April 1994.

He made these remarks during a news conference held at the anti-subversive base in this town, where he reported on the achievements of the forces of order in the anti-subversive fight. [passage omitted]

Shining Path Leader Said Surrounded in Jungle

PY1410235294 Lima EL PERUANO in Spanish 6 Oct 94 p A4

[FBIS Translated Text] Agents of the Special Intelligence Group (Gein)—an elite group of the National Counterterrorism Division (Dincote)—and of the National Intelligence Service (SIN), are closely following Shining Path [SL] leader Oscar Ramirez Durand, aka "Feliciano," whose capture, it is estimated, will take place in the next few days in the central jungle zone.

Official sources have disclosed that intelligence work by a group of Dincote and SIN agents has made it possible to determine exactly where Ramirez Durand is. Ramirez assumed the SL leadership when Abimael Guzman Reinoso was arrested in September 1992.

Moreover, it was disclosed that special agents have been closely following the steps of "Comrade Feliciano" for some three months, when a silent operation designed to capture the leader began in Lima.

Although Ramirez Durand's exact location has not been revealed, word has leaked out that he is in a zone of the central jungle that is fully surrounded by a significant number of Armed Forces members.

It was stated that the arrest of the SL leader will be, in the first place, carried out by Gein-Dincote and SIN agents, organizations that have been investigating him and that will act in compliance with the law.

With the arrest of "Feliciano," the SL central committee will, in practice, be fully dismantled because its main leaders are currently serving life imprisonment sentences in various maximum security prisons.

Hermoza: MRTA Leader's Capture To Take Place This Year

PY1410224294 Lima EL PERUANO in Spanish 6 Oct 94 p A4

[FBIS Translated Text] Nestor Cerpa Cartolini, head of the dismantled Tupac Amaru Revolutionary Movement (MRTA), will undoubtedly be captured this year, according to General Nicolas de Bari Hermoza Rios, president of the Armed Forces joint command and commander in chief of the Army. Hermoza made this statement yesterday after stating that the terrorist should try to benefit from the repentance law, because he runs the risk of being killed during clashes with the Armed Forces.

Hermoza added that Cerpa's capture is a goal set by the institution in view of the deadline established by President Alberto Fujimori, who has stated that the capture of this terrorist must take place before the end of his mandate.

Regarding the announcement on the arrest of Oscar Ramirez Durand, aka "Feliciano," Hermoza said that when it happens, President Fujimori will immediately disclose the information and, therefore, it would be premature to make other comments.

"This responsibility belongs to our institution. Therefore, I can assure you we are following his steps, and to do so we are operating everywhere."

Hermoza Rios denied the possibility that Ramirez Durand's capture would be used for electoral purposes.

Uruguay

Vice President Gonzalo Aguirre To Run for Senate Seat

PY1410193094 Buenos Aires TELAM in Spanish 1821 GMT 8 Oct 94

[FBIS Translated Text] Montevideo, 8 Oct (TELAM-SNI)—Uruguayan Vice President Gonzalo Aguirre today announced that he will run for a Senate seat in support of the ticket of [National Party] Herreraist faction leader Juan Andres Ramirez.

Aguirre, who on 5 October withdrew from the presidential race, heads the ruling National Party's Renewal and Victory Movement.

Political sources said that the Uruguayan vice president made his incorporation into the Herreraist faction ticket official yesterday. The elections will be held on 27 November, that is, less than 50 days from today.

Aguirre is the first National Party leader to announce his candidacy. He withdrew from the race after former president and Colorado Party candidate Julio Maria Sanguinetti said that "the vice president's candidacy was unconstitutional in having been acting president during the three months prior to the election."

The Uruguayan vice president replaced President Luis Alberto Lacalle in the presidency for four days when Lacalle travelled to New York to participate in the UN General Assembly.

Aguirre, an attorney who specializes in constitutional law, said that "his candidacy was not unconstitutional, but he would withdraw to avoid the shadow of a doubt and prevent a legal debate that could create an unfavorable climate during the electoral campaign."

Aguirre's withdrawal occurred at a time when the Electoral Court (the highest electoral tribunal) is analyzing whether the candidacy of Sanguinetti's fellow party member Mario Carmionatti for mayor of Montevideo is unconstitutional. The Uruguayan vice president announced that his support for Ramirez "would increase the chances of the National Party in November's elections." He added that his movement's support for the Herreraist ticket "would serve to balance existing forces within the National Party." Aguirre also said that his decision would favor independent citizens who "will have the possibility to vote for candidates in whose victory they honestly believe."

Venezuela

Government Takes Measures Against Disruption of Order

PA1510044194 Caracas Union Radio Network in Spanish 2200 GMT 14 Oct 94

[From the "Union Radio News" newscast]

[FBIS Translated Text] Deputy Interior Minister Raul Dominguez Castellanos announced that the national government will not allow disruptions of public order, so the necessary measures will be taken to prevent them.

[Begin Dominguez recording] Regarding the events that occurred yesterday in Zulia, Lara, and Carabobo States, the appropriate investigations are under way. In fact, I met with the governor of Zulia today and learned that some arrests have been made. Men wearing hoods were disrupting public order at the university. Most of them are not university students, thus they are assuming an erroneous attitude in making their social demands. [end recording]

The deputy interior minister added that no military insurrection or violence has occurred, only isolated demonstrations.

Minister: Corrupt Sectors Want To Destabilize Country

PA1510043994 Caracas EL NACIONAL in Spanish 14 Oct 94 p d-1

[Report by Rafael Nunez]

[FBIS Translated Text] Interior Minister Ramon Escovar Salom has said that the political and economic corruption mechanisms installed in the country are trying to create a climate of ill-feeling against the government. There are no grounds to say that the events in Lara, Zulia, and Carabobo are part of a national insurrection and a civil war, Escovar Salom asserted yesterday after he inaugurated the National Mayors Council in the auditorium at the Central Bank of Venezuela.

"The orphans of corruption want to create an adverse climate to prevent the government from implementing actions to further the country's economic recovery. They are enemies of the country and an insignificant minority who do not have any political future because there is absolutely no possibility for revolution here," Escovar Salom said.

It is a "tropical fantasy," and there are people who thrive on the weekly rumor sparked by this psychological war that there has been a shake-up [sacudon] in the country, he added.

The interior minister is sure that the events in Valencia, the student riots in Maracaibo, and the breaking of windows and other similar cases are entirely isolated events. Escovar Salom does not even believe that the car bombs in Valencia have any importance for the rest of the country.

[EL NACIONAL] Governor Salas Romer talks of terrorist plans?

[Escovar Salom] The governor can say this, but he has local or regional information. I, however, have nationwide information, thus I believe my information is more complete.

Escovar Salom does admit that people are dissatisfied about the lack of water, public services, the high cost of living, and inflation, which is why they protest and riot. "However, those people also know that the government is facing the problem democratically," he observed.

He denied that the Military Intelligence Directorate was the body that reported the possibility of a coup and civil war. He said those intelligence reports still remain to be proven and are not an announcement of the apocalypse.

Escovar Salom emphasized that the government has studied those reports and has determined "that they report dissatisfaction with the situation created by political and economic corruption. This cannot lead us to believe that there is going to be a massacre or a civil war in Venezuela. It is absolutely absurd and ridiculous to say so," he insisted.

Zulia Drivers Set To Join Strike 17 Oct

PA1510160794 Caracas Union Radio Network in Spanish 2200 GMT 14 Oct 94

[Report by Giovanni Esposito; from the "Union Radio News" newscast]

[FBIS Translated Text] On Monday, drivers and suburban transportation organizations from Zulia State's 10 municipalities will join the transportation strike now in force by three transportation groups in Maracaibo. The Municipal Transportation Institute and drivers are both standing by their positions. There is apparently no short-term solution to the conflict.

Meanwhile, regional authorities have said that members of the Army, National Guard, and Zulia police will go out in their vehicles on Monday and provide transportation to the people.

Here is a statement by Milagros Gutierrez, chairman of the Municipal Transportation Institute.

[Begin Gutierrez recording] Yes, the Army and the police are prepared to help us implement a contingency plan on Monday. It was clear yesterday evening, when the colonel [not further identified] talked with the transportation organizations' leaders, that soldiers sent out into the streets would be prepared to shoot to kill rather than participate in a dialogue. This does not mean we are issuing threats. It means that we once again issue an appeal for reflection. [end recording]

Consequently, drivers will have to bear in mind the old saying: Forewarned is forearmed.

Meanwhile, the University of Zulia's Council of Rectors has decided to suspend academic activities until further notice, given the fierce riots this week on campus. The riots, which resulted in the destruction of six privately owned vehicles, began when transportation unions announced a 50-percent increase in transportation fares. No public incidents have occurred in Maracaibo as of this hour.

Security Agencies React to Riots, Violence

PA1710030294 Hamburg DPA in Spanish 1824 GMT 15 Oct 94

[FBIS Translated Text] Caracas, 15 Oct (DPA)—Regional authorities reported today that Venezuela's state security organizations have been placed in a state of emergency due to riots and the destruction of automobiles and private property reported in the cities of Valencia and Maracaibo .

Four automobiles were burned at approximately 2400 hours (local time) Friday in Valencia, 150 km from Caracas, in the parking lot of La Vigna Siglo XXI Commercial Center. A public transportation strike continued today in Maracaibo, the second largest city in Venezuela, and yesterday, street riots by university students continued.

The police commander in Valencia, the capital of Carabobo State, today said the situation is "critical" and that all state security organizations had been placed in a state of emergency due to the possibility of new attacks.

Luis Manuel Hernandez, secretary of Carabobo State public security, said these acts were linked to "destabilizing subversives."

Tuesday night, six parked automobiles were set ablaze by unknown persons in different locations of Principal Avenue in El Vinedo and Bolivar Norte in Valencia. According to police reports, the fires were caused by homemade bombs thrown from moving vehicles.

In Maracaibo, 700 km west of Caracas, university students have been protesting since the beginning of the week against an increase—not authorized by the regional government—of 50 percent in city transport fares.

In response to these protests, the bus drivers' union has suspended public transport services, which as of today have yet to be resumed.

Confronted with these violent acts, Defense Minister Rafael Montero Revette said that the leftist groups "Red Flag" and "Total Disobedience," some bankers outside Venezuela, and retired military officers are conspiring against democracy by creating subversive focal points.

AD's Ramos on Economic Plan, CSE Selection

94SM0473B Caracas EL DIARIO DE CARACAS in Spanish 3 Sep 94 p 22

[Article by Iraima Gomez Ramirez]

[Text] The so-called Corrales Plan closely resembles the macroeconomic realignment plan proposed by the government of former President Carlos Andres Perez, according to the leader of the AD [Democratic Action] splinter group, Henry Ramos Allup, who made a number of comments on the government's economic plan.

Ramos Allup stated that representatives of AD attended a meeting a few days ago at the invitation of the government to hear a preview of the so-called Corrales Plan. This, he said, is the fourth economic plan the executive branch has presented so far this year. "First, there was the Sosa Plan, then the Roosen Plan, the Battista Plan, and now the Corrales Plan."

The meeting was attended by AD's Coordinator of Economic and Technical Teams David Morales Bello; the coordinator of the Chamber of Deputies Finance Committee, Deputy Omar Barboza; and Henry Ramos Allup as leader of the white party splinter group.

The information provided on the plan by the government's representatives, said Ramos Allup, was quite straightforward and very detailed, with emphasis on some aspects which, "considered in the abstract, are absolutely impeccable," such as its attack of the fiscal deficit problem. "They told us that they expect the current year's fiscal deficit to end up at an estimated three percent of GDP [gross domestic product]. Personally, I doubt that they will be able to attain that goal, although I wish them every possible success in that regard. They also told us that they are aiming at a fiscal deficit level of zero percent of GDP for the coming year, but again I seriously doubt they will achieve this."

Ramos Allup indicated that the plan calls for an increase in the price of gasoline to wipe out Petroven's deficit in this field, but that at no point did the government representatives at that meeting mention the amount of this increase. He added that, in his personal view, too much emphasis is still being placed on rate increases and indirect taxes, both of which place a heavy burden on the Venezuelans' economy.

As regards stabilization of the exchange rate and monetary exchange controls, Ramos Allup indicated that the plan treats these aspects as a transitory step toward a final stage such as a control on capital transfers rather than an exchange control, "and this is what we think is desirable."

The plan also calls for placing emphasis on the need to restructure several public-sector enterprises. In this regard, the government representatives expressed their satisfaction with the merger agreements that have been arrived at among some of the companies of the CVG [Venezuelan Corporation of Guayana]. Concerning this aspect, the AD deputy expressed his confidence in the persons who are managing the aluminum sector, where the view of the problem is not very optimistic.

Ramos Allup stated that from the macroeconomic standpoint the plan closely resembles former President Perez' economic package, calling as it does for a gasoline price increase, a solution of the fiscal deficit, and emphasis on indirect taxes, among other things.

MAS Approach to Cause R Deemed Serious

Referring to the report of the special commission that preselected the 54 candidates for appointment as the 18 members of the CSE [Supreme Electoral Council], Ramos Allup termed the report prepared by the parliamentary body fair-minded and objective.

Concerning MAS's [Movement Toward Socialism's] cross-over vote and its disagreement with the system used to preselect the 54 candidates, Ramos Allup said that at the outset he thought they were close to an agreement that would have ensured the independents of the CSE the maximum possible consensus.

His attention was drawn, however, to the sudden change of position by the members of the MAS. In his view, this indicated a rapprochement of the orange party members to Cause R, a rapprochement that MAS's new general secretary, Enrique Ochoa Antich, has repeatedly referred to in the media.

"It would be a serious thing indeed, for the Congress and the government, and a very serious one for the MAS, were the latter to align itself with the recurrent obstructionist policy that Cause R has been pursuing. It would be serious in the extreme because, until now, MAS has participated and cooperated in the work of the Congress from the viewpoint of the party's critical stance, and it has been a fundamental factor in that work and in all the agreements that have been arrived at in the Congress."

AD Does Not Protect the Corrupt

Lastly, Ramos Allup referred to the accusations leveled by Governor Andres Velasquez against the members of AD in the State of Bolivar, alleging their involvement in acts of extortion. Ramos Allup asserted that "if any member of AD has been caught in an act of corruption, he should be tried and punished. If Governor Velasquez says that another member of AD is pressuring for the guilty members release, let Governor Velasquez point out that member and prove his accusation. We in AD do not lend ourselves to aiding, protecting or sheltering any wrongdoer whomsoever. I believe, however, that these actions on the part of the governor of Bolivar are very much based on the striving for effect that he has accustomed us to expect from him."

Ramos Allup asserted that the report to the effect that the CEN [National Executive Committee] has appointed David Morales Bello to manufacture evidence against Andres Velasquez so as to discredit him is completely false.

"The fact is that Governor Velasquez is seeking to disqualify the many and very serious charges being brought against his administrative performance, and he is probably casting about for a cure, because he knows that the future may produce some decisions with respect to the administrative performance of Governor Velasquez himself. Proceedings involving his accountability have been instituted by the Treasury Inspector's

Office of the Republic, and these he cannot attribute to any maneuver on the part of AD, and much less to David Morales Bello."

Country To Back Mexico's Salinas for WTO Candidacy

PA1510045694 Madrid EFE in Spanish 2021 GMT 14 Oct 94

[FBIS Translated Text] Venezuelan Foreign Minister Miguel Angel Burelli announced today that Venezuela will support the candidacy of Mexican President Carlos Salinas de Gortari in the coming election of president of the World Trade Organization (WTO).

Burelli said President Rafael Caldera's administration has decided to support Salinas de Gortari because of the friendly relations that exist between Venezuela and Mexico, and also "as proof of Latin American solidarity."

According to Burelli, with our support for Salinas de Gortari, "we endorse a sister nation as well as our spirit of continental solidarity, which makes all Latin American nations a whole."

Bicameral Commission Approves Budget Changes

94SM0474B Caracas EL UNIVERSAL in Spanish 8 Sep 94 p 13 Section 1

[Article by Carlos Subero]

[FBIS Translated Excerpt] The bilateral congressional commission on finance last night approved an additional credit of 182 billion bolivares proposed by the administration, and made reallocations amounting to 10.885 billion bolivares. The decision was supported by all political groups except for Convergence, which claimed that the parliamentary act was unconstitutional.

The additional credit, which must be approved by the two houses in a joint session next Wednesday, was accepted as submitted to Congress, except that 10.885 billion bolivares was eliminated from the following items:

- Foreign public debt: 4.085 billion
- Development Ministry: 4 billion, broken down as follows: 3 billion from a fund for the financing of small and medium industry (initially set at 5 billion), 700 million from the cooperative trust (originally 1.438 billion), and 300 million from the solidarity economy program (originally 1.3 billion)
- Ministry of Urban Development (Mindur)-National Housing Institute (Inavi): 2.2 billion, allocated for construction
- Family Ministry: 700 million, allocated to the IND, the National Institute of Cooperative Education (INCE), and direct transfers

The 10.885 billion bolivares taken from the above programs was reallocated as follows:

- One billion to the state of Tachira to deal with the disaster that occurred in June
- Four-hundred million to the city of Carora to begin bringing in water from Cuatricentenaria Dam
- A total of 233.5 million to Congress for the remodeling of the free-standing story and the sixth floor of the administrative building and for paying the food and transportation allowance
- One billion to the Fonaiap fund
- Sixty-three million to the Supreme Electoral Council as an advance on the food and transportation allowance
- An additional 7 billion to the state governors' offices through the compensation fund (this item now amounts to 14 billion)
- Four-hundred million to the Commonwealth of Lecherias, Puerto La Cruz, Guanta, and Barcelona to deal with the health emergency associated with the sewage system
- One-hundred-fifty million to the Technology Park of the University of Zulia
- One-hundred million to the Technology Park of the University of the Andes
- Fifty million to Perez de Leon Hospital in Petare
- Fifty million to the University of Zulia Hospital
- Five-hundred million to the municipality of Libertador for the consolidation of neighborhoods

14 Billion Bolivares for State Governments

State	Bolivares (x 1 million)
Federal District	1,187
Amazonas	200
Anzoategui	575
Apure	300
Aragua	700
Barinas	375
Bolivar	594
Carabobo	862
Cojedes	250
Delta Amacuro	218
Falcon	437
Guarico	400
Lara	737
Merida	437
Miranda	1,075
Nueva Esparta	509
Portuguesa	450
Sucre	—
Tachira	550
Trujillo	400
Yaracuy	350
Zulia	3,000

Dispute in Congress

The coordinator of Convergence, Deputy Jose Miguel Uzcategui (Miranda), alleged that the decision made by the commission is unconstitutional because Congress does not have the power to reallocate budget items. Therefore, the decision is in violation of Article 118 of the Constitution, which states that each branch of government has its own functions.

He cited two opinions in similar cases in which the legislature's Legal Office ruled that Congress did not have jurisdiction over such matters. He indicated that if Congress does not agree with some of the items, it should simply not approve them. He admitted that some government officials did not provide timely documentation to back up the credit application and that the information they gave was not satisfactory.

The coordinator of Convergence complained that people who do not get funding from the government turn to Congress for it.

In short, Uzcategui announced that the government's position is that this precedent should not be created, and that it does not agree with it. He noted that the administration could even decline to execute any program imposed on it by Congress in this manner.

The deputies representing the Social Christian Party (COPEI), Cause R, and Democratic Action (AD) responded to Uzcategui. Tarre Briceno (COPEI for the Federal District), chairman of the commission, read part of Article 228 of the Constitution, which states:

"The chambers may alter the budget items, but they shall not authorize spending in excess of the total estimate of revenues contained in the respective budget bill."

Tarre emphasized that budget items have been changed every year since 1961, and that no one questioned the legislature's power to do so until this year. He even recalled that Convergence recently approved a modification of an additional credit to take away funds from the Ministry of Youth and give them to the region on the east coast of the lake. Tarre admitted that the government could decline to spend those funds if it so desired, and noted that the reallocation amounts to only six percent of the total credit. The rest is just what the government requested.

The AD representative, Omar Barboza (Zulia), said that he understood Uzcategui's position to be the result of the government's objections, and that he himself had not expressed any criticism of what the commission was doing.

It should be pointed out that many of the reallocations of public spending contained in the decision by the bicameral commission are going to sectors that have been staging demonstrations to press their demands to Congress. One example is the National Fund for Agriculture and Livestock Research.

This parliamentary impasse reveals another possible bone of contention between the government and Congress over constitutional powers, similar to what happened with the restoration of constitutional guarantees. [passage omitted]

COPEI: Government 'Paralyzing' Decentralization Process

94SM0473A Caracas EL DIARIO DE CARACAS in Spanish 23 Aug 94 p 22

[Text] The Social Christian Party [COPEI] has expressed its concern over the alleged paralysis being manifested in the so-called Decentralization process since the coming to power of the Rafael Caldera administration. The statement to this effect was made by COPEI spokesman Orlando Contreras Pulido upon termination of the regular meeting of COPEI's national committee.

In the view expressed by Contreras Pulido, this attitude on the part of the administration points up its evident dislike for decentralization. In support of this view, Contreras cited the most recent warnings issued by President Caldera, especially the one to members of the Armed Forces, in which Caldera referred to the risks such a process would entail at this time. "We caution all governors, mayors, and the country in general," [said Contreras Pulido], "that decided action is being taken by this government to paralyze the decentralization process. And this is evident to us in the manner in which it is approached by the minister for that policy area, Jose Guillermo Andueza." Evoking the presence of the governor of Carabobo, Henrique Salas Romer, before the national committee, the COPEI spokesman said that Salas Romer spoke of the situation being encountered by the country's different governors' offices in seeking greater administrative autonomy. In response to this situation, said Contreras Pulido, his party will take definitive action on each of its aspects. In the first place, this week he asserted, in the Commission on the Constitutional Reform of the Senate, that COPEI will move to raise the issue of decentralization to constitutional status. By this, he meant that its implementation must not be left to legislation alone, such as the laws on Transference of Jurisdictions and on Election and Removal of Governors. "We shall make the requirement an integral part of the Constitution, so that it cannot become the object of manipulation by any government in power, but rather an existing obligation to implement basic principles with respect to decentralization," he asserted. Second, he said that his party will introduce in parliament the Organic Law of the States, to replace the present Law on Decentralization and Transference of Jurisdictions, and so create a bolder and more adequate instrument that takes into account actual experience to date in this respect. And third, he said that his party will take a firm stand in support of guaranteeing to the state governors' offices the funds that are being contemplated for them in next year's national budget.

Padron Defends Himself Again

Paciano Padron, who aspires to become general secretary of the green party, has addressed a three-page letter to the national committee, requesting that it put an end to the dirty war, and that it not postpone internal party elections. In his letter, the member of parliament cites recent accusations leveled against him by the campaign coordinator of another aspirant, Agustin Berrios. Padron states that the reason for this war lies in the perception by the party's other internal sections that he is the frontrunner. And he emphasizes that he has the support of 80 percent of the COPEI rank and file.

FIV Assembly Votes To Modify San Jose Accord

94SM0474A Caracas EL UNIVERSAL in Spanish 7 Sep 94 p 7 Section 2

[Article by Mariela Leon]

[FBIS Translated Text] The Annual Shareholders Assembly of the Venezuelan Investment Fund (FIV) has agreed to modify the implementation of the San Jose Accord to make it "more remunerative" for Venezuela.

The country's economic-financial circumstances require a more vigorous enforcement of this bilateral energy agreement, which has been carried out jointly by the governments of Venezuela and Mexico for the last 15 years.

The assembly decided to continue the San Jose Accord "with the understanding that talks will have to be held with the various beneficiary countries" regarding the terms and guarantees for enforcement of the pact.

FIV President Carlos Bernardez stated that the credits that Venezuela gives the countries of Central America and the Caribbean should adhere to the following parameters:

- A variable rate instead of the current fixed one.
- Denomination in dollars rather than bolivares.
- Guarantees for payment in full (when countries do not honor their commitments, it is the FIV that has to take the loss).

It has cost Venezuela more than $150 million to absorb these losses during the 15-year history of the San Jose Accord, said Bernardez.

The Venezuelan Investment Fund met financing needs of about $117 million under the San Jose Accord maintenance policy for the period between August 1993 and August 1994.

FIV financial statements include the official institution's disbursements and income in connection with international financial cooperation.

The statements note that on 3 August 1993, the presidents of Mexico and Venezuela signed a joint declaration extending the program to guarantee the supply of 160,000 barrels of crude oil per day, in equal shares by Mexico and Venezuela, as well as short-, medium-, and long-term financing for between 20 and 25 percent of the oil bills of Barbados, Costa Rica, El Salvador, Guatemala, Honduras, Haiti, Jamaica, Nicaragua, Panama, and the Dominican Republic.

The report indicates that "in view of our country's recent economic situation, the national government, through the FIV, has implemented policies aimed at financing nontraditional exports, using a greater percentage of deposits in central banks, based primarily on the cooperation agreements with Central America and the Caribbean."

The implementation of this system is an effective tool for expanding the market share of Venezuelan goods and services in the countries benefiting from the cooperation agreements, which is a key objective of our foreign policy, given the strategic and commercial importance of the area.

During the period of January-December 1993, says the document, negotiations were conducted to persuade the countries to pay off pending debts in the cooperation programs, and formulas have been developed to avoid delays in meeting their financial obligations to the FIV. For example, negotiations with the government of Panama continued throughout the year to make arrangements to bring that country up to date on its payments to the FIV.

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